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## U.S. Surgeons Help in China

### Rich Area for Cancer Research

By John Pomfret  
Washington Post Service

LINZHOU, China — In a simple red-brick health center here, next to a metalworking shop that could be straight out of the Middle Ages, American and Chinese physicians operated recently on Chinese peasants with state-of-the-art medical equipment to treat cancer of the esophagus.

For centuries, what the Chinese call "the swallowing disease" has been a major killer in this rugged region. A stunning 20 percent of the deaths in this area of several million people are from this form of cancer alone.

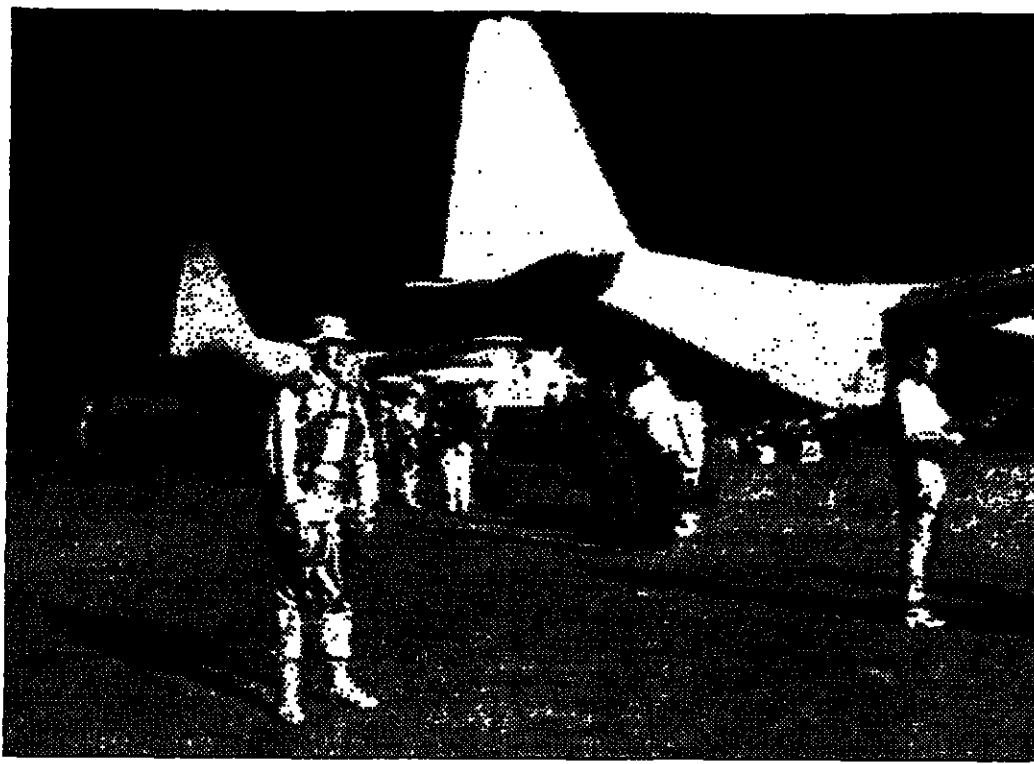
American doctors say the procedures being tried here — involving Chinese diagnostic techniques and a Japanese-developed experimental surgery — could help fight what is one of the fastest growing cancers in the United States — adenocarcinoma, which mostly affects white men — and the other main type of esophageal cancer, squamous cell carcinoma, which mostly affects middle-aged African American men.

The cooperative research in this mountainous zone, a redoubt for Communist fighters against the Japanese during World War II, is one of hundreds of projects involving Chinese and American specialists.

Initiated in the 1970s, shortly after President Richard Nixon's historic first trip to China, the U.S.-Chinese scientific cooperation has grown into one of the underpinnings of Washington's relations with Beijing and into one of the most productive such relationships in the world, according to scientists on both sides.

"Science was used as a tool to normalize relations," said Alice Hogan, an official with the National Science Foundation now at the White House Office of Science and Technology Policy. "Back then it was more formula than substance. The remarkable thing is that we are almost completely out of that phase."

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Foreigners boarding planes Sunday at Asmara airport during a halt in Ethiopian bombing.

## Foreigners in Eritrea Flee Bombs

The Associated Press

ASMARA, Eritrea — Hundreds of foreigners scrambled out of Eritrea on Sunday, fearing it will be engulfed in war with Ethiopia. One of their main escape routes came under attack earlier for a second straight day.

Ethiopian jets bombed a military-civilian airport on the outskirts of Asmara for the second time Saturday, forcing embassies to step up their exit plans.

American, Italian, German and British planes ferried foreigners out of harm's way Saturday and

Sunday after Ethiopia agreed to halt the bombing temporarily. Some reports said that up to 2,000 people had been evacuated.

Wary expatriates crowded the airport parking lot, waiting to be evacuated. Angered and confused by the sudden violence in this capital of broad boulevards and modern buildings, no one wanted to talk about his decision to go.

"In principle," said the French ambassador, Louis Le Vert, "this is the last of the evacuations."

See ERITREA, Page 10

## Pakistan Accuses India in Train Blast

### 26 Dead, 45 Wounded in Bombing; New Delhi Denies Responsibility

Compiled by Our Staff From Dispatches

KARACHI, Pakistan — A powerful time bomb tore through a train traveling in southern Pakistan on Sunday, killing 26 people and wounding 45 others, many of them seriously, the police and emergency workers said.

The government accused India's intelligence service of responsibility for the blast and warned the act could further strain ties between the two countries in the wake of nuclear tests. India dismissed the accusation as "preposterous."

The train was passing through a village 30 kilometers (18 miles) from Sukkur, about 200 kilometers north of Karachi, when the bomb exploded just before dawn, the police said.

The 18-car Khyber Mail express, with a capacity of 1,800 passengers, was headed from Karachi, in Sindh Province, to the northwestern city of Peshawar. Witnesses said the bomb, in an economy-class car, wrecked two cars of the train. Among the dead were four children aged 5 or younger, the police said.

"When we arrived, the carriage was destroyed and bodies were blown to pieces," said an ambulance driver, Mohammed Hafiz. "Many of the passengers were trapped and shouting for help."

Rescuers quoted a passenger as saying: "It was a big bang, and the impact was intense. We were thrown on each other as the train continued to travel several minutes after the blast."

The governor of Sindh Province, Moin Uddin Hyder, said at the scene that the blast was probably the work of anti-Pakistani elements — government code for India — but that it was too early to blame New Delhi outright.

But the Pakistani information minister, Mushahid Hussain, said "hard proof" had been found linking the Research and Analysis Wing of India's intelligence service to a series of bombings.

The train blast was "obviously" a terrorist act sponsored by the Research and Analysis Wing, the Foreign Ministry said in a statement.

The chief police investigator, Malik Mohammed Afzal, said a "foreign-made

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## Milosevic Will Allow Observers Into Kosovo

By Steven Erlanger  
New York Times Service

WASHINGTON — President Slobodan Milosevic has agreed to allow diplomatic observers to enter and move through the southern Serbian province of Kosovo, where the Serbian Army and police units have been attacking the ethnic Albanian majority, senior U.S. officials said Sunday.

The first such forays could take place as early as Monday, the officials said, after weekend negotiations in Belgrade between Mr. Milosevic, whose forces

In Albania, rebels from Kosovo move about freely. Page 10.

have prevented foreign access to the area, and the American ambassador to neighboring Macedonia, Christopher Hill.

Mr. Hill will also be allowed to escort the chief ethnic Albanian negotiator, Fehmi Agani, a close aide to the Kosovo leader, Ibrahim Rugova, into the area.

Mr. Agani was denied access Thursday and presumably will bring journalists along, the officials said.

But the officials warned that Washington will insist that the diplomatic observers not be impeded in their investigations and that their numbers be enlarged beyond the limited personnel available in Belgrade.

And they stressed that these new agreements, while not unimportant, did not absolve Mr. Milosevic of allegations of ethnic cleansing, designed to create a cordon near the Albanian border in an effort to prevent the infiltration of arms and new fighters from outside Kosovo.

In the last two weeks, Mr. Milosevic has ordered a crackdown against the ethnic Albanians in Kosovo and the Kosovo Liberation Army, which is fighting for independence — an outcome the West does not support, fearing it would stir the ethnic and religious cauldron of the Balkans.

"Ethnic cleansing, whether as a goal or a tactic, is still a crime," said a senior American official. "We cannot ignore that extraordinarily grave events occurred last week and we cannot allow Milosevic to get a breather because some diplomats observers are let in."

He said that Washington and its allies continued to insist on the withdrawal of Serb special police and army units from Kosovo and full access for other foreigners.

"Just having some diplomatic observers who come back and say, 'Gosh, this is terrible and they've destroyed the place' isn't sufficient."

The Clinton administration, meanwhile, has reversed course and is ready to impose sanctions to punish President

See OBSERVERS, Page 10

## In Moscow and Beijing, the Search Is On for Funds and Fakes

### Russian Capitalism Starved for Capital

By David Hoffman  
Washington Post Service

MOSCOW — "I don't have much time; I have to get to the bank," apologized Sergei Marastyev, a third-generation textile worker, holding a cellular telephone in one hand. In the distance, beyond the walls of his office, could be heard a muffled roar, the sound of looms churning out white cotton bedsheet and soft fabric for diapers.

Mr. Marastyev, technical director of Izmailovskaya Manufactory Co., a Moscow textile factory dating to imperial Russia, has good reason to be worried about the bank. To understand the significance of the financial turmoil that has roiled Russia in recent weeks, Mr. Marastyev needs to look no further.

He has a single, six-month bank loan: it is the longest term available in Russia today. The annual interest rate is 42 percent and may be headed higher. The central bank recently raised its benchmark lending rate to 150 percent, before dropping it to 60 percent. For Mr. Marastyev's factory, which he said operates on the edge of profitability, the outlook for additional financing is bleak.

His predicament is at the root of Russia's economic troubles six years after the collapse of Soviet central planning. The country has set out on a course of free-market capitalism, but right now, Russia is starved for capital.

"There is no capital coming in to either households or corporations," said Al Breach, an economist at the Russian European Center for Economic Policy.

There are many reasons for Russia's current troubles. In the past six months, financial markets here have been rocked by three waves of investor flight and panic. Each time, interest rates have skyrocketed, tightening the choke hold on the real economy — those factories and businesses that need to survive and grow. The Russian economy was expected to return to growth this year after years of free fall, but so far there are only anemic signs of a revival, although inflation remains low.

Moreover, the economy is dominated by a coterie of politically well-connected tycoons and their empires. Virtually all enterprises, workers and the government are enmeshed in a vast web of debts and barter trade. Russians still tend to keep their savings under mattresses, rather than investing. The larger restructuring of industry has lagged; companies still struggle with obstacles

-ranging from unreformed bureaucrats to ubiquitous protection rackets.

In addition, Russia was hit in recent months by two external shocks.

The first was the Asian emerging markets crisis last October, which rattled investor confidence in what was then the high-flying Russian stock market. The second was the collapse in world oil prices this spring. Oil is Russia's major export, and the decline of world prices to \$14 a barrel hurt oil companies and further dented government

See RUSSIA, Page 10

### Consumer Advocate in China Does Well by Doing Good

By Elisabeth Rosenthal  
New York Times Service

BEIJING — On an afternoon stroll down bustling Jianguomenwai Street, the rumpled young man broke off conversation in mid-sentence and hustled away to examine the rows of aviator-style Ray-Ban sunglasses at a roadside stand. Holding a pair just inches from his nose, he meticulously checked lenses, hinges and frame. He fingered a tiny black plastic hanging tag, reading front, then back, then front again.

A small white licensing seal was

missing from the tag.

"They're fake," he declared. Such is shopping with Wang Hai, 25, a high school dropout who in three years has transformed himself into China's first consumer advocate, and a national hero. An odd cross between Ralph Nader and Robin Hood, Mr. Wang crisscrosses China ferreting out and exposing the legion of stores that are selling counterfeit name-brand products.

Whether it is fake cold medicine in Harbin or fake mobile phones in Tianjin, Mr. Wang is there.

He writes a popular consumer column in the newspaper China Youth Daily, and his recent autobiography, "I Am a Rogue," is a best-seller. In this country notorious for counterfeits — from imitation Compaq computers to imitation Fendi handbags — there is even a budding group of what Chinese newspapers call "imitation Wang Hais" — other would-be consumer advocates.

It is perhaps no surprise that Mr. Wang has achieved near-mythic fame in

See CHINA, Page 10

## AGENDA

### Strikes Still Paralyze Air France

Air France, the official carrier for the World Cup soccer tournament, which begins in two days, will be virtually grounded, at least for the start of the monthlong sporting event.

The strike-bound, state-owned Air France stood no chance Sunday of getting back to normal before the Cup gets under way.

"The Cup will start without the aircraft of Air France," said the pilots' chief negotiator, Jean-Charles Corbet. Even if the stalled talks resumed Monday and came to a swift agree-

ment, the airline said it would take up to three days to get its planes into position to restore scheduled services. Air France said it would operate only one in four domestic, European and intercontinental flights Monday. It is committed to providing 160 special charter flights to transport the 32 soccer teams around the country in the first round of the tournament.

Chaos at Charles de Gaulle airport near Paris continued, even though baggage handlers returned to work Saturday. Page 6.

### Crackdown in Nigeria, Opposition Says

LAGOS (AP) — At least one protester was killed and 62 others were arrested during recent anti-government demonstrations in Nigeria, a leading opposition group said Sunday.

The Joint Action Committee for Nigeria did not say where or how the person was killed, but claimed the death was linked to police efforts to

break up protests last week. The demonstrations in Lagos and the nearby university town of Ibadan were held to mark the second anniversary on Thursday of the unexplained killing of Kudirat Abiola, the wife of Chief Moshood Abiola, a politician jailed on treason charges.

While most of the 62 arrests took place in Lagos and Ibadan, Joint Action Committee members were also detained in the northern city of Kano, the group said.

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The Mouse Debate in Science Labs

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The IHT on-line: www.ihon.com



SPAIN'S BIG DAY — Carlos Moya on his way to victory in the French Open final Sunday against a fellow Spaniard, Alex Corretja. Page 26.

## A Taboo Falls: Sex Turns Into the Talk of America's Towns

By Janny Scott  
New York Times Service

NEW YORK — In corporate conference rooms, in dentists' chairs and over dinner, the continuing news about both Viagra and Monica Lewinsky appears to have accelerated a change in the way many Americans speak about a subject that some would prefer be barely spoken about at all.

In recent months, the subjects of sex and the language describing sex acts and sex organs have been nudged a few inches closer to the conver-

sationally commonplace. Many Americans say they have found themselves using words they would never previously have used, discussing erectile dysfunction at dinner parties, talking to their children about adultery, laughing at sex jokes told in the presence of people like their bosses.

Dr. Mark Schwartz, the director of the Masters & Johnson Clinic in St. Louis, recently visited a new dentist for the first time and says he became the audience for a battery of jokes about oral sex told by the dentist, a man, in the presence of a female hygienist.

At a black-tie dinner at the New York Botanical Garden last month attended by 1,100 people, Peter Bijur, the chairman and chief executive of Texaco, strode to the podium and opened with a joke suggesting that some of the floral centerpiecees were having Viagra-assisted erections.

Ten days later, in the grand ballroom of the Waldorf-Astoria Hotel in Manhattan, at a black-tie gala for the National Osteoporosis Foundation, Lesley Stahl, the correspondent for CBS's "60 Minutes," stood up before 800 people to accept an award and delivered an almost identical joke.

"We now speak about the unspeakable as though it were fruit salad," said Elizabeth Gould Hemmerdinger, a writer who with her husband, H. Dale Hemmerdinger, a New York City real estate executive, regularly holds dinner parties in their apartment on Central Park South.

"The word 'erection' is something I couldn't say until six weeks ago," she said. "It was something that I wouldn't ordinarily bring into a conversation with a man who might be the head of a bank."

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Newstand Prices	
Bahrain.....1,000 BD	Malta.....55 c
Cyprus.....C\$ 1.00	Nigeria.....12800 Naira
Denmark.....14.00 Dkr	Oman.....1,250 QR
Finland.....12.00 FM	Qatar.....10.00 QR
Gibraltar.....£ 0.85	Rep. Ireland.....IR £ 1.00
Great Britain.....£ 0.90	Saudi Arabia.....10 SR
Egypt.....E£ 5.50	S. Africa.....R12 + VAT
Jordan.....1,250 JD	U.A.E.....10.00 Dh
Kenya.....K Sh. 160	U.S. Mil. (Eur.).....\$ 1.20
Kuwait.....700 Fils	Zimbabwe.....Zim\$40.00

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## Lab Animals Made Ill to Order / 'Knock Out a Gene and See What Happens'

## Engineering of Mice Pits Researchers Against Ethicists

By Rick Weiss  
Washington Post Service

WASHINGTON — In a windowless basement at the National Institutes of Health, scientists wearing white protective "moon suits," rubber gloves and disposable booties are creating a generation of tools that could revolutionize medical research.

The new tools are mice, genetically engineered to have human diseases. In the past, scientists relied on luck to find strains of mutant mice whose symptoms resembled those seen in human diseases, and even then it was not clear how relevant the animal versions were. Using new molecular technologies, however, scientists can genetically engineer mouse embryos from scratch to contain precisely the same biological defects that cause diabetes, cancer, multiple sclerosis, cystic fibrosis, arthritis and many other human ailments.

The new breeds, which have never existed in nature, can be dissected and analyzed by the hundreds or thousands until the biological mechanism underlying their problem is revealed. The animals can also be used for testing experimental drugs.

"These new animal models are going to be incredibly powerful," said Ronald Schwartz, an NIH immunologist who works with the mice. "They are at last giving us the opportunity to understand disease processes and will eventually give us a way to look for treatments."

Others, however, see this latest development as the dawn of a dark era in medical research. The use of animals in research is already fraught with ethical dilemmas, these critics say, but the mass production of animals intentionally designed to have debilitating diseases raises novel, more nuanced ethical questions.

To purposefully bring into the world hobbled animals for experimentation is to treat living creatures as mere devices, some say, and fosters an attitude that could reverse a recent trend toward more judicious and compassionate use of lab animals. For some people, such research is tantamount to a sacrilege — a malignant appropriation of the sacred power of creation.

"Multiple pathologies are frequent in these animals," said Barbara Orlans, a former research physiologist now at the Kennedy Institute of Ethics at Georgetown University. "Genitals and other organs are sometimes deformed. Legless mice have been produced. It's sort of carte blanche where we're going: Knock out a gene and see what happens."

The debate over genetically manipulated

animals extends beyond the laboratory. Researchers are also altering genes in pigs, goats and sheep, with the goal of making these animals produce medicines in their milk or of making their organs more suitable for transplantation into people.

But such scientists and farmers have a stake in keeping their engineered farm animals healthy. By contrast, said Rebecca Dresser, a bioethicist at Case Western Reserve University, the engineered mice and rats are "genetically programmed to suffer."

The issue is not simply a matter for philosophical debate. In some places, it is also a live political issue. In a referendum Sunday, Swiss voters rejected a proposal that would have made it illegal for researchers to create or use genetically engineered animals. The Associated Press reported.

In the United States, engineered rodents are quickly becoming the mainstay of medical research. There is little to stop it. Mice and rats are specifically exempted from the Animal Welfare Act, the primary federal statute that protects other species of lab animals. And the NIH recently relaxed its restrictions on the creation and use of engineered rodents to make it easier for scientists to pursue such research.

"More and more research is moving toward the use of these mice," said John Sharp, superintendent of induced mutant resources at the Jackson Laboratory, a mouse research facility in Bar Harbor, Maine. "It's where the future of research is headed."

The approach is akin to unscrewing a building's fuses one by one to see which lights are controlled by each fuse. Scientists create mouse embryos in test tubes, then remove, or "knock out," single genes from those embryos to see what would go wrong.

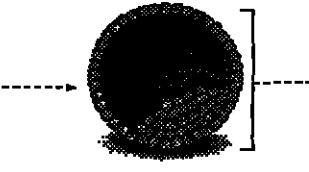
In some cases they knock out a mouse gene whose human counterpart, when defective, is known to cause a human disease, thus creating a precise mouse model of that disease. In other cases, they knock out mouse genes whose functions are unknown. By studying the problems these mice have as they grow up, scientists are learning what those genes — and presumably what their human counterparts — normally do.

The technique does show promise. In one case, researchers knocked out part of the Huntington's disease gene in mice — a gene that, when mutated in people, leads to

1. Scientists remove the designated gene—say, the one that produces black pigment in fur—from a single mouse cell.



2. The cell is injected into a 3½-day-old mouse embryo, where it begins to divide with the other cells.



3. The embryo, containing an expanding mix of normal and gene-deleted cells, is implanted into a female's womb.



4. Some tissues in the resulting newborn mice lack the gene, but other tissues have it. In this case, they all would have patches of dark and white fur.



5. The mice are mated, resulting in offspring with different colorings. Those whose parents' sperm and egg cells lacked the pigment gene have all-white fur.



6. Scientists study these mutant mice to see what's wrong with them, an indication of what the gene would normally have done—in this case, produce pigment.



This is how scientists breed mutant mice with characteristics they want to study.

dementia and a progressive loss of muscle control. Careful study of the brains of these Huntington's mice revealed small protein deposits that had never been noticed in the brains of Huntington's patients but which, upon reinspection of patients' brains, proved to be there. Although the relevance of those deposits remains unclear, Mr. Sharp said, "it looks like this is one of the causes of Huntington's disease symptoms."

In another case, scientists at the national institutes working with mouse embryos knocked out a newly discovered gene to see what its role might be. The result was a mouse with a single, Cyclops-like eye and massive head deformities, including an extra growth of skull protruding from the forehead and containing a portion of the animal's brain.

Researchers recognized the pattern as similar to one seen in a rare human disorder called holoprosencephaly. Subsequent tests on people afflicted with that syndrome showed that they harbored a mutation in the human equivalent of the mouse gene, offering the first clue to the disease's molecular underpinnings, said Heiner Westfahl, the NIH developmental geneticist who oversees much of the work.

Several floors below Mr. Westfahl's office, in the basement of Building 6A, is one of about a half-dozen laboratories at the national institutes where scientists are making engineered mice.

Thousands of gene-altered mice scamper inside plastic shoebox-size cages stacked 10 high and seven deep and arranged in long rows in climate-controlled rooms. Most of the animals look normal, but under their variably colored coats are carefully plotted genetic errors.

Each of these glitches will gradually disable its mouse in subtle or gross ways, and perhaps help solve a medical mystery.

Some engineered mice grow lumpy with tumors very early in life. Others are born with nerve damage or are blind or deaf or have inflamed joints or engage in self-mutilating behaviors. Some lack immune systems and can quickly die from exposure to everyday germs, which is why scientists and visitors must wear protective clothing in the lab.

But of more fundamental concern are the ethical implications of the work. Ultimately some say that the engineering of life — and in particular the intentional inducement of malformations — is an affront to religious and spiritual beliefs that see creation as the sole province of a beneficent deity.

"This notion," said Paul Thompson, a philosopher at Purdue University, "that we can own, buy, sell and exchange fundamental life processes can lead to a fundamental transformation of how we understand life as sacred."

Errors on the Rise  
In Control TowersBy Don Phillips  
Washington Post Service

WASHINGTON — Air traffic controller errors have increased 20 percent so far this fiscal year, with the most troublesome trends involving communications and memory lapses that can compromise air safety, officials said.

These lapses often involved visual misjudgments, leading in one case to a near-mid-air collision April 3 at La Guardia Airport in New York, according to internal Federal Aviation Administration documents made available by aviation sources.

The sharp upswing in controller mistakes played a part in the FAA's decision last week to order the retraining of 10,000 of the nation's 18,000 controllers.

The agency acted after the La Guardia incident, when an Air Canada Airbus A-319 taking off for Toronto nearly collided with a US Airways DC-9 landing from Columbus, Ohio. The two aircraft came as close as 20 feet after a controller apparently waited too long to order the US Airways plane to abort its landing on a cross runway.

"Short of a tragic accident, this is the most dramatic wake-up call the air traffic control system can receive," said Jim Hall, chairman of the National Transportation Safety Board.

The safety board said its investigation indicated that the US Airways pilot was forced to perform "an evasive maneuver" to dip under the Air Canada plane.

The FAA documents showed that error rates were highest in the New York region, with tower operations making 1.69 errors per 100,000 operations at La Guardia Airport and 1.38 errors at John F. Kennedy Airport.

The New York regional control center, which handles flights entering the New York airspace, also had the highest error rate, 1.98, compared with a national average of 0.55.

The three Washington airports were in the middle range: Reagan National with 0.58, Baltimore-Washington with 0.52, and Dulles with 0.41. The Washington regional control center ranked fifth among 21 centers, with an error rate of 1.29.

The safety board said it would look into not only the details of the April 3 incident, but also the adequacy of controller training, but also at the FAA's decision to notify the board. FAA officials said Thursday that a tower supervisor did not report the incident and a pilot report was misfiled.

Mr. Hall said the board was concerned about what is happening in air traffic control, particularly runway incursions, in which a plane wanders onto a runway for which it was not cleared.

Even before the FAA ordered retraining, FAA officials were meeting with regional officials and controllers to emphasize that something must be done about the increase in errors, according to officials of the FAA and the National Air Traffic Controllers Association, the controllers union.

The number of errors in the first seven months of fiscal 1998, starting October 1, rose to 1,282 from 1,068 in 1997, according to an FAA document prepared in May. The upswing in errors continued last month, sources said.

Ronald Morgan, the FAA's acting associate administrator for air traffic services, said that although the FAA takes all operational errors seriously, he was more concerned by certain trends than by the overall increase. Taking into account increases in aircraft operations, the rate of errors per 100,000 operations is up only slightly, to a projected 0.52 this year from 0.49 in 1997.

Jim Morin, general counsel of the air traffic controllers union, said some of the problem could be linked to a shortage of controllers. "The system's getting stretched too thin,"

## Glitches Also for Air Force One

New York Times Service

WASHINGTON — Some radar data from Air Force One carrying President Bill Clinton disappeared mysteriously from air traffic controllers' screens twice last week as the plane flew over New Jersey, the second time this year that the presidential jet has trailed off the same radar system.

The Federal Aviation Administration insisted that, in the incidents Friday, safety was not compromised, noting that controller voice contact continued. The agency promised to investigate, saying that similar radar glitches have occurred on other flights, including one by the president in the same area in March.

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Hong Kong	800987209	Ireland	1771000102	Italy	167875823
Japan	003128809	Korea	0038110243	Luxembourg	080040552
Mexico	8009878478	Netherlands	080220857	N. Zealand	0800441880
Portugal	003112832	Singapore	8001202501	S. Africa	0800988337
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## TRAVEL UPDATE

## Wellington Defends Airport Safety

WELLINGTON (AFP) — New Zealand civil aviation authorities rejected Sunday a report by pilots that gave that Wellington International Airport a "black star" for being potentially life-threatening.

The pilots' assertion, in a document distributed at a closed meeting of International Federation of Airline Pilots Associations, was reported in The Sunday Times of London. Radio New Zealand quoted the authorities as saying that the report was unfair because the airport met international safety standards. Other airports that reportedly received the black star included those serving San Francisco, Hong Kong and Nice.

Aeromexico flight attendants ended a five-day strike, and the Mexican government said it would rescind a decree authorizing it to take temporary control of the airline. (AFP)

## This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

**MONDAY:** Argentina, Australia, Cyprus, Greece, Ukraine.  
**TUESDAY:** Bangladesh, Sri Lanka, Uganda.  
**WEDNESDAY:** Jordan, Macau, Portugal.  
**THURSDAY:** Austria, Bolivia, Brazil, Chile, Dominican Republic, Equatorial Guinea, Germany, Grenada, Libya, Liechtenstein, Monaco, Poland, Portugal, San Marino, Seychelles, Vatican City.  
**FRIDAY:** Bahrain, Paraguay, Philippines, Poland, Russia.  
**SATURDAY:** Kyrgyzstan, Portugal.

Sources: J.P. Morgan, Bloomberg, Reuters

## WEATHER

**Europe**

City	High	Low	Wind	Cloud	Precip
Algeria	26/22	18/15	SE	Partly	0.0
Amsterdam	18/18	10/10	SE	Cloudy	0.0
Ankara	18/18	10/10	SE	Partly	0.0
Athens	27/20	18/15	SE	Partly	0.0
Bangkok	32/27	24/21	SE	Partly	0.0
Bombay	31/26	23/18	SE	Partly	0.0
Buenos Aires	28/22	18/15	SE	Partly	0.0
Calcutta	32/27	24/21	SE	Partly	0.0
Chengdu	28/22	18/15	SE	Partly	0.0
Chongqing	28/22	18/15	SE	Partly	0.0
Copenhagen	21/17	11/10	SE	Partly	0.0
Dhaka	32/27	24/21	SE	Partly	0.0
Hankow	28/22	18/15	SE	Partly	0.0
Hong Kong	32/27	24/21	SE	Partly	0.0
Kobe	28/22	18/15	SE	Partly	0.0
London	18/18	10/10	SE	Cloudy	0.0
Los Angeles	28/22	18/15	SE	Partly	0.0
Lyons	18/18	10/10	SE	Cloudy	0.0
Madrid	28/22	18/15	SE	Partly	0.0
Moscow	28/22	18/15	SE	Partly	0.0
Mumbai	32/27	24/21	SE	Partly	0.0
New Delhi	32/27	24/21	SE	Partly	0.0
Osaka	28/22	18/15	SE	Partly	0.0
Paris	18/18	10/10	SE	Cloudy	0.0
Peking	28/22	18/15	SE	Partly	0.0
Rangoon	32/27	24/21	SE	Partly	0.0
Rio de Janeiro	28/22	18/15	SE	Partly	0.0
Sao Paulo	28/22	18/15	SE	Partly	0.0
Shanghai	28/22	18/15	SE	Partly	0.0
Singapore	32/27	24/21	SE	Partly	0.0
Taipei	28/22	18/15	SE	Partly	0.0
Tokyo	28/22	18/15	SE	Partly	0.0
Yokohama	28/22	18/15	SE	Partly	0.0

**Asia**

City	High	Low	Wind	Cloud	Precip
Amoy	28/22	18/15	SE	Partly	0.0
Bangkok	32/27	24/21	SE	Partly	0.0
Bombay	32/27	24/21	SE	Partly	0.0
Buenos Aires	28/22	18/15	SE	Partly	0.0
Calcutta	32/27	24/21	SE	Partly	0.0
Chengdu	28/22	18/15	SE	Partly	0.0
Chongqing	28/22	18/15	SE	Partly	0.0
Copenhagen	21/17	11/10	SE	Partly	0.0
Dhaka	32/27	24/21	SE	Partly	0.0
Hankow	28/22	18/15	SE	Partly	0.0
Hong Kong	32/27	24/21	SE	Partly	0.0
Kobe	28/22	18/15	SE	Partly	0.0
London	18/18	10/10	SE	Cloudy	0.0
Los Angeles	28/22	18/15	SE	Partly	0.0
Lyons	18/18	10/10	SE	Cloudy	0.0
Madrid	28/22	18/15	SE	Partly	0.0
Moscow	28/22	18/15	SE	Partly	0.0
Mumbai	32/27	24/21	SE	Partly	0.0
New Delhi	32/27	24/21	SE	Partly	0.0
Osaka	28/22	18/15	SE	Partly	0.0
Paris	18/18	10/10	SE	Cloudy	0.0
Peking	28/22	18/15	SE	Partly	0.0
Rangoon	32/27	24/21	SE	Partly	0.0
Rio de Janeiro	28/22	18/15	SE	Partly	0.0
Sao Paulo	28/22	18/15	SE	Partly	0.0
Shanghai	28/22	18/15	SE	Partly	0.0
Singapore	32/27	24/21	SE	Partly	0.0
Taipei	28/22	18/15	SE	Partly	0.0
Tokyo	28/22	18/15	SE	Partly	0.0
Yokohama	28/22	18/15	SE	Partly	0.0

**North America**

City	High	Low	Wind	Cloud	Precip
Albany	28/22	18/15	SE	Partly	0.0
Bangkok	32/27	24/21	SE	Partly	0.0
Bombay	32/27	24/21	SE	Partly	0.0
Buenos Aires	28/22	18/15	SE	Partly	0.0
Calcutta	32/27	24/21	SE	Partly	0.0
Chengdu	28/22	18/15	SE	Partly	0.0
Chongqing	28/22	18/15	SE	Partly	0.0
Copenhagen	21/17	11/10	SE	Partly	0.0
Dhaka	32/27	24/21	SE	Partly	0.0
Hankow	28/22	18/15	SE	Partly	0.0
Hong Kong	32/27	24/21	SE	Partly	0.0
Kobe	28/22	18/15	SE	Partly	0.0
London	18/18	10/10	SE	Cloudy	0.0
Los Angeles	28/22	18/15	SE	Partly	0.0
Lyons	18/18	10/10	SE	Cloudy	0.0
Madrid	28/22	18/15	SE	Partly	0.0
Moscow	28/22	18/15	SE	Partly	0.0
Mumbai	32/27	24/21	SE	Partly	0.0
New Delhi	32/27	24/21	SE	Partly	0.0
Osaka	28/22	18/15	SE	Partly	0.0
Paris	18/18	10/10	SE	Cloudy	0.0
Peking	28/22	18/15	SE	Partly	0.0
Rangoon	32/27	24/21	SE	Partly	0.0
Rio de Janeiro	28/22	18/15	SE	Partly	0.0
Sao Paulo	28/22	18/15	SE	Partly	0.0
Shanghai	28/22	18/15	SE	Partly	0.0
Singapore	32/27	24/21	SE	Partly	0.0
Taipei	28/22	18/15	SE	Partly	0.0
Tokyo	28/22	18/15	SE	Partly	0.0
Yokohama	28/22	18/15	SE	Partly	0.0

**South America**

City	High	Low	Wind	Cloud	Precip
Albany	28/22				



THE AMERICAS

# A Test for Lawyer-Client Privilege

Does Confidentiality Extend Beyond Grave? Starr Seeks Ruling

By Linda Greenhouse  
New York Times Service

WASHINGTON — Kenneth Starr's effort to bring White House aides and Secret Service agents before his grand jury has provided much of the recent legal drama here. But it is his pursuit of notes from a lawyer's interview with a man who has been dead nearly five years that, of all the disputes surrounding the independent counsel's investigation, could ultimately matter most to anyone who has ever consulted a lawyer about a potentially embarrassing problem.

The question, which will be argued Monday before the Supreme Court, is whether the age-old attorney-client privilege survives the client's death. The privilege is the basis for lawyers' relationships with their clients on the one hand, and with the rest of the world on the other.

The client in this case was Vincent

Foster Jr., the deputy White House counsel who killed himself nine days after seeking advice from James Hamilton, a prominent Washington lawyer who took three pages of notes during the two-hour meeting. Mr. Starr is seeking the notes as part of his investigation into whether presidential aides lied about any role Hillary Rodham Clinton might have had in the dismissal of seven employees of the White House travel office.

But the particular facts and political context are nearly irrelevant to lawyers across the United States, as well as organizations speaking for the terminally ill and for the nation's psychiatrists, whose attention has been riveted on the opinion issued last year in the case by the U.S. appeals court here.

A privilege long assumed to be one of life's absolutes suddenly turned out to be, at the end of life, porous and unreliable.

Mr. Foster had requested, and Mr.

Hamilton confidently gave, an explicit promise of confidentiality at the start of their interview on July 11, 1993. But the U.S. Circuit Court of Appeals in the District of Columbia ruled that Mr. Starr could have the lawyer's notes provided he could persuade a U.S. District Court that he needed them.

Outside of the context of disputed wills, where different rules apply to enable lawyers to make known the wishes of their deceased clients, this was the first federal ruling to lower the absolute shield of the privilege. Lawyers say that unless the Supreme Court overturns the decision, they will have to modify the assurances they now give their clients.

"One of the fundamental aspects of the lawyer-client relationship is that the duty of confidentiality lasts forever," said Steven Krane, a New York lawyer who has served on several professional ethics committees.

"You take your client's secrets to your grave," Mr. Krane, a partner in the firm of Proskauer Rose, said he had taught his students at Columbia Law School. "Now, if a client leaves my office and is hit by a bus, suddenly everything is potentially available."

Although the appeals court's decision is binding only in the federal courts here, the case, *Swidler & Berlin v. United States*, has been the talk of the legal profession. The cover story in the current issue of *The American Lawyer*, a monthly magazine, describes the case as "one of transcendent importance to lawyers throughout the country."

The American Bar Association and three other national lawyers organizations have filed briefs urging the justices to overturn the decision.

The American Bar Association said there were "hundreds of thousands if not millions of Americans" contemplating the likely imminence of their own deaths. "Many of these people undoubtedly have secrets and confidences that, if revealed, would be at the least highly embarrassing to themselves or their friends and loved ones," but they might want to turn to a lawyer to help sort such matters out while there is still time, the brief said.

Disclosure of sensitive material after death "can be devastating to survivors," the National Association of Criminal Defense Lawyers said in a brief that the hospice and psychiatric organizations also signed.

If upheld by the Supreme Court, the brief said, the appeals court's decision "will come to bear every time a lawyer counsels a client" and a client must decide "whether to make a full and candid disclosure to his lawyer of the most highly incriminating, embarrassing or otherwise sensitive facts the client possesses."

Although no organizations have filed briefs on Mr. Starr's side, the argument is not quite as lopsided as that fact might indicate. A number of prominent legal scholars over the years have called for a relaxation of the absolute privilege after the client's death, in cases of "exceptional need," as the American Law Institute, a group of scholars and bar leaders, urged in a policy statement adopted last month.

## A Mistake Heard All Over

Report of Hope's Death Is Vastly Overstated

By Howard Kurtz  
Washington Post Service

WASHINGTON — Some folks were a bit too quick to thank Bob Hope for the memories.

A foul-up by The Associated Press, a premature announcement by the House majority leader and a bulletin by Reuters combined to tell the world Friday that the 95-year-old entertainer was dead.

Mr. Hope's daughter, Linda, had to get on the phone to assure journalists that her father was very much alive in North Hollywood.

"The phone's been ringing off the hook," she said. "My dad had just awakened and was having breakfast when all hell broke loose."

"He's feeling terrific — he had plans to go out and hit some golf balls today."

It was another reminder that even unconfirmed reports move at the speed of light in the satellite age, especially when they get a boost from Congress.

Most news organizations prepare advance obituaries on prominent people who are getting older. The AP somehow managed to post an incomplete Hope obit on its Web site, the WIRE, which serves its newspaper clients. The headline: "Bob Hope, Tireless Master of the One-Liner, Dead at 95."

The story began: "LOS ANGELES (AP) — Bob Hope, the master of the one-liner and tireless morale-booster for servicemen from World War II to the Gulf War, died May 29, 1993. He was 95." He was xx.

The article was spotted by an aide to Representative Richard Annen, the

Texas Republican who is the House majority leader, and the aide handed the congressman a copy.

On the floor, Mr. Annen saw Representative Bob Stump, an Arizona Republican, and told him that as chairman of the Veterans Affairs Committee, he should give America the news.

"It is with great sadness I announce that Bob Hope has died," Mr. Stump said. "We're all going to miss him."

The House minority whip, David Bonior, a Michigan Democrat, joined in the tribute.

As a result, at 3:06 P.M., Reuters moved a bulletin: "Entertainer Bob Hope is dead, lawmaker says."

Newsmen across the country briefly shifted to red-alert status.

But Reuters moved a second story at 3:24, quoting Linda Hope as saying the entertainer was still very much with us.

Just before 4 o'clock, Mr. Annen rushed to the floor and interrupted a series of after-hours speeches to announce that Mr. Hope was in fact alive and to apologize for the mistake.

Wire service executives were left a bit red-faced. Ruth Gersh, editor of AP Multimedia Services, said the story was misused so that it was accidentally posted on the Web site. Wendy Zajack, Reuters' manager of media relations, said the press service was merely repeating Mr. Stump's remarks. "If he said it on the floor of the House, we felt inclined to cover it," she said.

Mr. Stump, a tight-lipped former cotton farmer who wears antebellum boots to work, returned to his office to find all nine phone lines jammed. He quickly called Linda Hope to apologize.

## BOOKS

**MEN OF WAR**  
**Black Troops in the Civil War**  
By Noah Andre Trudeau. 548 pages.  
\$29.95. Little, Brown.

Reviewed by Chris Patsilelis

WILL they fight? This crucial question regarding the courage of black Union soldiers recurs throughout Noah Andre Trudeau's well-researched and groundbreaking new work, "Men of War: Black Troops in the Civil War." Drawing primarily on the letters and diaries of soldiers and newspaper articles of the time, Trudeau, author of the critically acclaimed Civil War trilogy "Bloody Roads South," "The Last Citadel" and "Out of the Storm," vividly brings to life the experience of the U.S. Colored Troops and, in so doing, resoundingly affirms their bravery.

In 1862 — more than a year into the war — most Americans did not believe that blacks possessed the intelligence or courage to become soldiers. In the North they earned their living, for the most part, at menial jobs that required limited responsibility. They were not looked upon as fully enfranchised American citizens.

But in 1862 things began to change. As Union successes in the West brought more slave regions under U.S. control and as the mounting carnage increased the need for more soldiers, Congress passed the Second Confiscation Act and the Militia Act, which stretched the president's power to use black men in the military.

Two men were galvanized into action.

Major General David Hunter, assigned to protect federal fleet anchorage along the South Carolina and Georgia coasts and in desperate need of reinforcements, decided to tap into a large local source of manpower: escaped slaves. On April 13, 1862, Trudeau informs us, Hunter proclaimed that "all persons of color lately held to involuntary service by enemies of the United States ... are hereby confiscated and declared free." Free, that is, to be immediately cajoled or tricked into joining Hunter's 1st South Carolina (Colored) Volunteer Regiment.

Meanwhile, Senator James H. Lane, described by Trudeau as a social radical, master political opportunist and violent abolitionist comrade of John Brown, arrived home in Kansas armed with what he thought was the legal authority (the confiscation and militia laws) to raise a black regiment. By the fall his 1st Kansas (Colored) Volunteer Infantry was fighting Rebels on the Kansas-Missouri border.

Always led by white officers, black troops fought one of their first major engagements at Milliken's Bend, Louisiana, on June 7, 1863. The 1st Regiment Mississippi Infantry (African Descent), organized by the vibrant, nearly 60-year-old Brigadier General Lorenzo Thomas, helped turn the tide in this battle.

So positive were the battle reports of black troops' performance in this qualified Union victory that it came to the attention of General Ulysses S. Grant, no abolitionist, who stated that "most of the

troops engaged were Africans, who had but little experience in the use of fire-arms. Their conduct is said, however, to have been most gallant, and I doubt not but with good officers they will make good troops."

As the war progressed, Grant's prediction was borne out impressively. At such major actions as the capture of Jacksonville, the 54th Regiment Massachusetts's celebrated assault on Fort Wagner, Petersburg, Fort Pillow, the Crater and the capture of Richmond, black troops exhibited a bravery that eventually would silence the most skeptical critics.

Besides the steep struggle against virulent racism and to convince fellow white soldiers and officers that they deserved to wear the Union uniform, black soldiers had another terrible problem to contend with. The Confederate government had proclaimed that any blacks caught armed and in uniform, or any of their white officers, were to be tried (and presumably executed) for inciting insurrection. On the battlefield this translated into "Take no prisoners!" and it rationalized many horrifying Confederate atrocities. But it also made the black troops fight even more fiercely.

Trudeau's exciting and revealing saga vividly reminds the reader exactly how high a price black troops paid to claim their manhood in this country.

Chris Patsilelis, who writes frequently about military history, wrote this for *The Washington Post*.

## BRIDGE

By Alan Truscott

WHY sometimes, the Queen told Alice in "Through the Looking-Glass," "I've believed as many as six impossible things before breakfast." If you are reading this at breakfast, see if you can believe the following impossible thing: In a major tournament with world-class players, the declarer has Q J 10 x opposite a small tripleton in dummy. The opponents lead the suit twice but take no tricks in the suit.

It happened in the 1997 Forbo-Krommenie Team Tournament in The Hague, and the South cards were held by Nick Nickell of Manhat-

tan, at that time a reigning world champion. Playing against two Italian stars, he and his partner, Dick Freeman of Atlanta, reached two hearts after a transfer auction.

West got off on the wrong foot by leading a diamond, and South won with the queen in dummy, dropping the jack from his hand. When a heart was led to the king and ace, West helped the declarer again by leading a second diamond. This was apparently a signaling problem: Those who play that East should give count (high with even, low with odd) when unable to beat dummy's card would know that a second diamond lead would be an error.

South was happy to win with the nine and led a heart to the nine, losing to the 10. The contract was unbeatable at this point, but East did not know that. Desperate to score a diamond ruff, he underled his top spades. South won with the queen and led another trump to the eight, driving out the queen.

Still hoping, East underled his spade honors again and was disappointed when the jack won. Now South crossed to the club king and drew the remaining trump with the jack. With his contract safe, South tried a club finesse. He knew that West had only minor-suit cards, so losing the finesse would not cost. The club queen was the fourth trick for the defense, but

South had the rest. East's ace-king of spades withered on the vine.

**NORTH (D)**  
6 4 3  
7 9 8 6 4  
Q 10 5  
K 7

**WEST**  
A 2  
K 5 7 3 2  
Q 10 8 5 4

**EAST**  
A K 7 5  
Q 10 7 3  
6 4  
9 8 3

**SOUTH**  
Q J 10 8  
K 5 2  
A 10  
A J 2

Both sides were vulnerable. The bidding:  
North Pass East 1 N.T. West Pass  
South Pass 2 V Pass  
West led the diamond three.

## POLITICAL NOTES



**RFK REMEMBERED** — Representative Joseph Kennedy 2d, Democrat of Massachusetts, and his sister, Kathleen Kennedy Townsend, the lieutenant governor of Maryland and also a Democrat, reminiscing on television on Sunday about their father, Robert F. Kennedy, who was assassinated 30 years ago.

## Environment Protection Agency Goes After Lax Enforcement

WASHINGTON — The inspector-general of the Environmental Protection Agency has documented widespread failures by federal and local officials in several states to police even the most basic requirements of the nation's clean-air and -water laws.

The environmental agency's independent auditing arm found waste-water treatment plants operating with obsolete permits or with none at all, inspectors failing to visit and review factories and states falling short of federal goals.

The reports blamed both federal and state officials for the shortcomings. Investigators found that state officials failed to enforce the laws and to report violations to the federal government, but they also found that federal officials were remiss in enforcing the law and in supervising the state authorities.

## New Budget Fight on Horizon

WASHINGTON — The House has narrowly approved a plan to cut taxes and spending far more deeply than last year's bipartisan balanced budget deal. The move puts

Republicans on another ideological collision course with the White House over the size and role of the federal government.

Despite the defection of nine moderates in the party unwilling to support spending reductions of the magnitude called for in the budget outline, the Republican leadership rammed the measure through by a 216-to-204 vote Friday after a contentious debate and some intense arm-twisting.

The House plan calls for about \$100 billion in tax cuts over the next five years, offset by spending cuts of the same amount.

The primary tax cut would be a reduction in the so-called marriage penalty, the provision in the tax code that forces many two-income couples to pay more than they would if single.

## Quote/Unquote

Senator Chuck Hagel, Republican of Nebraska, holding forth on the global economy, the Asian financial crisis and the International Monetary Fund with a dozen or so hog and cattle farmers in West Point, Nebraska: "Many of my colleagues don't understand foreign affairs, they don't travel, they don't get out. They're scared of taking trips that will be labeled political junkets. They don't have much interest, and they don't see the relevancy."

## Away From Politics

Families of the victims of TWA Flight 800 sifted through more than 200 boxes of unclaimed items over the weekend, hoping to find the belongings of loved ones who died in the 1996 plane crash.

Major brushfires burned across Florida over the weekend, destroying dozens of homes and closing Interstate 95

northeast of Orlando. One person was treated for minor burns.

A jury sentenced the first person to die in New York since the reinstatement of the death penalty in the state in 1995, deciding that a former prison guard, Daniel Harris, 39, should be executed by injection for the murders of three people in 1996. Two jurors nearly came to blows and one collapsed and was taken to a hospital. The last execution in New York state was in 1963.

## Cindy Crawford's Choice



Constellation  
Stainless steel with diamond-set bezel.  
OMEGA — Swiss made since 1848.

Omega -- my choice Cindy Crawford

OMEGA

The sign of excellence



## ASIA/PACIFIC

## Mountains and Years of War Slow Afghan Relief

By Molly Moore  
Washington Post Service

KOL DARRAH, Afghanistan — The survivors of Kol Darrah huddled atop a barren ridge overlooking the rubble of what was their village before the devastating earthquake last week sent their mud homes and animal pens plunging off a ledge and down the cracked and scarred mountainside.

For seven days, the village's 50 families had waited — without food — for outside help to discover their remote speck in the northeastern Afghan mountains, a village so tiny and so isolated that it did not even appear on a map when relief agencies began combing this rugged territory by air for earthquake damage.

And when the first help finally arrived over the weekend — an international aid helicopter with sacks of wheat and jugs of oil — even the local Afghan guide could barely find the wreckage of the former Kol Darrah.

It was the bright orange and pink head scarves of the village women, sitting in a tight knot on a mountaintop seemingly in the middle of nowhere, that served as the beacon for airborne aid workers.

Mohammed Marad, his eyes brimming with tears under a deeply furrowed forehead, threw himself into the arms of the first relief worker off the helicopter. His 5- and 10-year-old daughters were among the 10 villagers who had died beneath the rubble.

Mr. Marad, 36, said he had left his mud home early on May 30 to buy flour from a grain mill in a distant village. He thought little of the tremor he felt underfoot at midmorning as he walked home along the steep mountain paths.

"When I returned I saw the whole village was destroyed," he said hoarsely. "I nearly burst from sorrow. I saw nobody in the village. I found my two children killed, crushed by the house."

If, as local residents believe, God is angry, he could not have chosen a more formidable location to stage such a devastating natural disaster than the Hindu Kush Mountains of Afghanistan, which have defeated travelers, adventurers and armies for centuries.

More than a week after the second earthquake in

five months rattled these mountains on the Tajikistan border, killing about 5,000 people and injuring tens of thousands more, international aid workers have reached barely one-third of the 84 villages and towns known to have been damaged by the quake, which measured 6.9 on the Richter scale.

All but a handful of these villages and towns are accessible to aid workers only by helicopter. Thirty-four towns and hamlets were destroyed, and in another 21 at least 50 percent of the houses have collapsed.

"We keep finding new villages that aren't on the maps," said Rupert Colville, a spokesman for the United Nations relief effort. "We thought the February earthquake was bad. At least the villages were accessible. This one was five to six times more destructive." About 2,300 people died in the Feb. 4 earthquake.

The relief effort has been thwarted by natural and manmade catastrophes. Persistent storms have triggered landslides and grounded the three helicopters and smattering of airplanes available to relief groups. Companies that own helicopters have tried to charge aid groups as much as \$7,000 an hour for helicopter flights, and some crews have refused to fly in Afghanistan, considered dangerous because of a continuing civil war.

Helicopters as well as fuel are in such short supply that the staging area at Faizabad just outside the quake zone has been a chaotic battleground of relief organizations, medical teams and journalists jostling over seats.

"It's been more than one week since the earthquake and we can't get the medical teams out," said Panna Erasmus, a doctor from the London-based Irish Medical Emergency Relief International.

Afghanistan is a country without a government capable of assisting its own people. Ripped apart by warring tribal factions for the last seven years, more than 80 percent of the country is controlled by the fundamentalist Muslim Taliban.

One of the few pockets of Afghanistan not under Taliban control is the mountainous northeastern region that was hit by the earthquake. Taliban leaders said they believed the double quakes in the area were God's revenge on the inhabitants for refusing to accept Taliban rule.

"In almost any country that has an earthquake, you have an army, an infrastructure," Mr. Colville said. "This is the only place where you have a massive disaster and almost everything has to be done by agencies. The rehabilitation from the first quake hadn't even gotten off the ground."

Those were among the reasons that Mr. Marad and the other residents of Kol Darrah had camped out on a desolate hillside for a week. They were subsisting on milk from a few goats and cows and a spinach-type grass that grows wild in the mountains. They were sheltered only by a few scrubby trees and flimsy tents constructed of rugs pulled from beneath the rocks and mud that were once their village.

When the mustard-colored Tajik helicopter leased by the International Committee of the Red Cross landed on a muddy hillside across the ravine from the site of the village, the mountainside came alive with dozens of men and children running as far as a kilometer to greet the chopper and the sacks of wheat and plastic jugs of oil that it carried.

Two men labored down a steep hill carrying Azada, 25, who gave a doctor only her first name, and her 3-year-old son huddled under a blanket. Both had spinal fractures and had waited more than a week for the trip to the Faizabad hospital, a 25-minute helicopter flight away.

## A Tag-of-War Over Helicopter Fuel

Pakistan said over the weekend that it would contribute three helicopters to the relief operation in Afghanistan, but only after a bizarre tag-of-war with aid workers over vital fuel supplies, Agence France-Presse reported from Faizabad.

Three Pakistani military helicopters were stranded in Faizabad after running low on fuel while ferrying Deputy Foreign Minister Mohammed Sadiq Kanju to talks with Afghan faction leaders. The Pakistanis infuriated aid workers by demanding the entire relief operation's fuel stocks to fly their stranded helicopters home.

Hundreds of tons of food are piled up beside the airstrip in Faizabad, but there is no way to get it to many of the villages perched on mountainsides or hidden in deep ravines.



An elderly quake victim receiving medical attention in Faizabad.

## BRIEFLY

## India Counters UN's Criticism

NEW DELHI — India assailed on Sunday what it called a "grotesque" statement by the United Nations Security Council condemning India's nuclear tests and accused the body of a double standard on disarmament.

"We regret that the Security Council has acted in the way it has and produced a resolution that is coercive and unhelpful," the Foreign Ministry said in an unusually strong statement.

India's "impeccable record," the statement said, was "better than many who have chosen to attempt to instruct us in this matter."

On Saturday, the Security Council condemned India and Pakistan for their nuclear tests last month and urged them to take steps to avert an arms race.

## Burma Imprisons 2 Activists

RANGOON — Burma's ruling junta has sentenced two opposition activists to 14 years in prison for distributing copies of a letter from a rebel army, sources said Sunday.

The letter was from the Shan State Army, which has struck a cease-fire deal with Burmese authorities, to the intelligence chief, Lieutenant General Khin Nyunt, but details of its content were not immediately available.

Two members of Daw Aung San Suu Kyi's opposition party, the National League for Democracy, handed out

copies of the letter at their leader's compound in March, party sources said.

## Taiwan Virus Toll Reaches 30

TAIPEI — Two more infants died of an intestinal virus sweeping Taiwan, raising the toll to 30 as U.S. experts arrived here to help authorities find the cause of the killer disease, reports said Sunday.

Doctors estimate that the virus has infected at least 200,000 babies around the island in the past week, newspapers and television reports said.

A team of experts from the U.S. Centers for Disease Control and Prevention arrived late Saturday to aid investigations as Taiwan health authorities came under fire for failing to respond swiftly to curb the disease.

## A Voice for North Korean Reform

NEW YORK — President Kim Dae Jung of South Korea has told the UN secretary-general, Kofi Annan, that his government advocates gradual reform in reclusive North Korea, a South Korean spokesman said.

Mr. Kim, who arrived Saturday for his first U.S. visit since his election in October, informed Mr. Annan of his policies of developing peaceful relations with Pyongyang and reaffirmed Seoul's commitment to keeping the Korean Peninsula free of nuclear weapons.

## Rocket Probe Targets Ex-Loral Scientist

Executive Told China in '96 That He Would Help Improve Its Technology

By Elaine Sciolino and Jeff Gertz  
New York Times Service

WASHINGTON — The scientist at the center of an investigation of whether two U.S. companies improperly helped China improve its rockets told the Chinese in 1996 that he would do everything he could to make their rockets the most reliable in the industry.

The scientist, Wah Lim, a Chinese-born American citizen, was a senior vice president and engineer at a unit of Loral Space & Communications Ltd. when he wrote a cordial letter to China Aerospace Corp. in April 1996, two weeks before a technical review he oversaw was provided to the Chinese company without U.S. government permission and contrary to Loral policies.

Federal officials are investigating whether the review, an analysis of a Chinese rocket-launching failure that destroyed a Loral satellite, violated export-control laws and damaged national security by giving the Chinese information that would enable them to improve their missile program.

The investigation caused Justice Department prosecutors in February to oppose President Bill Clinton's approval for China to launch another Loral satellite.

Loral officials say that the unauthorized and perhaps illegal disclosure to the Chinese was just a mistake.

But both the warmly worded letter by Mr. Lim, in which he promised a fruitful joint effort to figure out why the Chinese rocket had exploded two months earlier, and other internal Loral

documents portray a corporate mind-set in which the priority was to fix a serious problem of concern both to the American company and to the Chinese.

The Chinese rocket carrying the Loral satellite crashed into a hill 22 seconds after liftoff in February 1996. The Chinese thought they had figured out the cause, but their insurance companies wanted a second opinion.

Enter Mr. Lim. The 53-year-old Loral physicist, who grew up in Singapore and came to the United States on a Fulbright scholarship, was so highly respected by the Chinese that Liu Jiyuan, the China Aerospace chairman, asked Loral to put him in charge of the review.

Although Mr. Lim's mandate was narrowly defined, his letter to Mr. Liu during the early stages of the review and other internal Loral documents suggest that he may have had broader objectives: to offer concrete recommendations to improve the reliability of China's troubled Long March rocket program.

Since many of Loral's satellites are launched in China, such a goal was in the company's best financial interest as well. But China Aerospace launches rockets with both commercial and military applications, and improvements in the ability to launch rockets accurately and reliably could aid not only its business of sending communication satellites into space but also its testing and delivering of nuclear weapons from ballistic missiles.

So the Loral documents underscore the risks of the Clinton administration's policy of promoting the transfer of sophisticated U.S. technology to countries

like China at the same time as trying to prevent that technology from being used for military purposes. That policy has now come under congressional review.

There are also federal investigations into testimony about surreptitious contributions to the Democratic Party by the Chinese military through a China Aerospace executive, and into campaign contributions to the party from Loral's chairman, Bernard Schwartz.

In his letter to the Chinese, Mr. Lim said he felt "truly honored for having been asked" to head the review team and noted that an important goal of the review was "using this failure as an opportunity to ensure that the Long March launch vehicles have the best reliable record in the future."

The letter offered other expressions of encouragement as well, including Mr. Lim's confidence "that your company will take their share of the world market for satellite launch services."

Under the ground rules imposed by the U.S. government, Loral was allowed to help the Chinese mount its satellite on the Chinese rocket. But it was forbidden to disclose "launch vehicle/satellite detail design" or "information that will enhance the launch site facilities or launch vehicle/mission capabilities" of China.

Mr. Lim, who now heads the technology and development arm of Hughes Space & Communications, is the key figure in the Justice Department's criminal investigation into whether Loral and Hughes, which also worked on the review, transmitted information that may have helped China's missile program.

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EUROPE

# Chirac, Rising From Electoral Blunder, Seeks to Lead Again

By Jim Hoagland  
Washington Post Service

PARIS — There was still a tinge of shock in Jacques Chirac's voice as the French president recounted discovering in mid-May that President Bill Clinton, Prime Minister Tony Blair and other leaders attending the Group of Seven summit meeting did not intend to go to the United Nations for the special session on the world's drug problems that begins Monday.

"This seemed unthinkable to me," recalled Mr. Chirac, who immediately began lobbying the leaders of the world's richest countries and Russia to add a trip to New York "as an act of faith" and compassion. "How could we have this meeting be meaningful without the participation of the leaders of major drug-consuming countries, which contribute so much to the problem?" he asked.

U.S. and UN officials confirm that President Chirac's energetic and emotional intervention at the Birmingham, England, summit meeting helped get Mr. Clinton, Mr. Blair and others to rearrange their schedules to be present at the special session on drugs in New York. Each head of government or state will speak for seven minutes at the one-day conference.

"We cannot change the world in

seven minutes," Mr. Chirac remarked May 29 in an hour-long interview in his Elysee Palace office. "But we can show that we will just not sit by and abandon the world's desperate and destitute."

Mr. Chirac's speech at the United Nations and his initiative to get others to attend the meeting are big steps in his comeback from the political roadside, where he was left for dead a year ago after his call for early elections led to his coalition's loss of National Assembly control.

Less than a month after he took on the rest of the European Union and forced a compromise in the choice of a new head of the European Central Bank, Mr. Chirac made clear in the interview that he is finding his voice again and that he intends to claim a larger role for France on the global scene.

This is likely to be a mixed blessing for Mr. Clinton, as hinted by the troublesome changes Mr. Chirac inspired in the American president's schedule for Monday.

Mr. Clinton's policies face increasing challenge from the French president, who says he is acting in the name of global social justice and seeking to ease the inevitable transition "to a multipolar world, equipped with a well-functioning multilateral system."

Throughout the interview, Mr. Chirac laid strong emphasis on his personal admiration for Mr. Clinton and on France's determination to cooperate with American global leadership where possible.

But he did not hesitate to underline differences on sensitive topics like Washington's extensive use of economic sanctions, the future of NATO

## France wants Security Council votes on NATO actions outside Europe.

and the authority of the United Nations.

The one subject he would not discuss was the eerie similarity between coverage by the U.S. press of the pursuit of Mr. Clinton by special prosecutor Kenneth Starr and recent headlines here raising the possibility of a criminal investigation implicating the French presidency in burgeoning campaign finance scandals.

"I never discuss France's domestic politics with a foreign publication," Mr. Chirac said, indicating between the lines that he did not believe that the separate controversies on opposite sides of the Atlantic had impaired his or

Mr. Clinton's abilities to govern. "Reason always wins out in the end," he said as a general comment.

Foreign affairs have provided Mr. Chirac with a lifeboat in which to ride out a political shipwreck that would have ended the career of a lesser politician. Last June he called parliamentary elections a year early and saw his conservative coalition lose its commanding majority to the Socialists and Communists, enabling Lionel Jospin to become prime minister and form a government.

Under the French system, Mr. Jospin, a Socialist who is to visit Washington June 17-20, controls the country's domestic agenda, while Mr. Chirac, a Gaullist, has a major say only in foreign policy and defense.

The two men are considered the most likely candidates for president when Mr. Chirac's mandate expires in 2002, but they have worked to keep signs of rivalry out of public view.

The public honeymoon may now be ending, as labor strife presents Mr. Jospin with his first serious political challenges at home and as Mr. Chirac feels comfortable in raising his profile on a number of issues, including U.S.-French relations.

His most pointed remarks concerned emerging differences between Washington and Paris over the future mis-

sion of the North Atlantic Treaty Organization, which Mr. Chirac said France will not permit to be turned into "a Western alliance that would exercise military force anywhere in the world. That would be an immense danger for world peace."

Mr. Chirac discussed with Mr. Clinton over lunch at Birmingham the French misgivings about the strategic concept the United States wants NATO to adopt at its 50th anniversary summit in Washington next spring.

Discussions of the strategic concept were formally launched at a NATO foreign ministers gathering on May 28 in Luxembourg.

The administration and its supporters in the recently concluded U.S. Senate debate on NATO enlargement have strongly indicated that they will push for a significant widening of NATO responsibilities and "power projection," including missions outside Europe.

"If NATO gives itself the right to intervene where it wants and when it wants, other powers would immediately start doing the same thing, with as much justification," Mr. Chirac said.

To pre-empt that, France will insist that NATO military operations outside the alliance's European zone of self-defense be approved by the UN Security Council.

## Vote Remark By Kohl Aide Stirs Up Flap

Reuters

BONN — Members of Chancellor Helmut Kohl's coalition on Sunday called on the new German government spokesman, Otto Hauser, to resign over contentious comments he made about East Germans' voting habits.

Mr. Hauser, who was brought in two weeks ago to help revive Mr. Kohl's flagging re-election chances, accused East Germans of straining relations with their western compatriots by voting for the heirs of former East Germany's Communist Party.

Mr. Hauser, a member of Parliament from Mr. Kohl's Christian Democrats, also drew a parallel between East Germany, which was absorbed by West Germany under reunification in 1990, and Hitler's Nazi party.

A Christian Democrat spokesman, Rolf Kiefer, said that party leaders were likely to discuss the controversy on Monday.

Wolfgang Kubicki, a leader of the Free Democrats, a coalition partner, the Free Democrats, told Bild am Sonntag that if Mr. Hauser "has a jot of self-respect he will resign."

"If not," he said, "Kohl must fire him."

Mr. Hauser said his comments were consistent with the government's view.

## BRIEFLY

### Greens in Bonn Soften Positions

BONN — Germany's Greens, bidding for a place in government after the election in September, stripped a number of disputed environmental and pacifist policies from their campaign platform Sunday.

Delegates at a party congress in Bonn unanimously voted to accept a revised manifesto that left out the core proposals of an ambitious "ecology tax" plan that would have tripled gasoline prices in Germany over 10 years.

The new manifesto also waters down a policy pledge to pull Germany out of NATO. The congress also approved a separate resolution that removed the party's previous opposition to peacekeeping by German troops in Bosnia. (Reuters)

### Passengers Flee German Train

FRANKFURT — Concerned about noises coming from the locomotive, the engineer of a high-speed train made an emergency stop to discharge passengers left jittery by a deadly rail crash last week, officials said Sunday.

The Inter-City Express Prinz Eugen was approaching Regensburg in southern Bavaria at about 3 P.M. Saturday when the engineer heard unusual noises, according to a German Railroad spokesman. When he stopped the train, about 150 passengers got off. Authorities who inspected the train con-

firmed the engineer's suspicions that the noises had come from the engine. They did not identify the cause.

The German police on Sunday lowered the death toll in the crash last week in Eschede to 98, from 102. (AP)

### Basque Leaders' Homes Attacked

SAN SEBASTIAN, Spain — The homes of three moderate Basque nationalist politicians were attacked over the weekend in northern Spain, the police said Sunday.

A homemade bomb exploded Saturday outside the home of the mayor of Ordizia, causing light damage. An hour earlier, a similar device was defused outside the home of the head of the Guipuzcoa regional government. In Zarauz, unknown assailants threw stones at the home of an elected nationalist deputy.

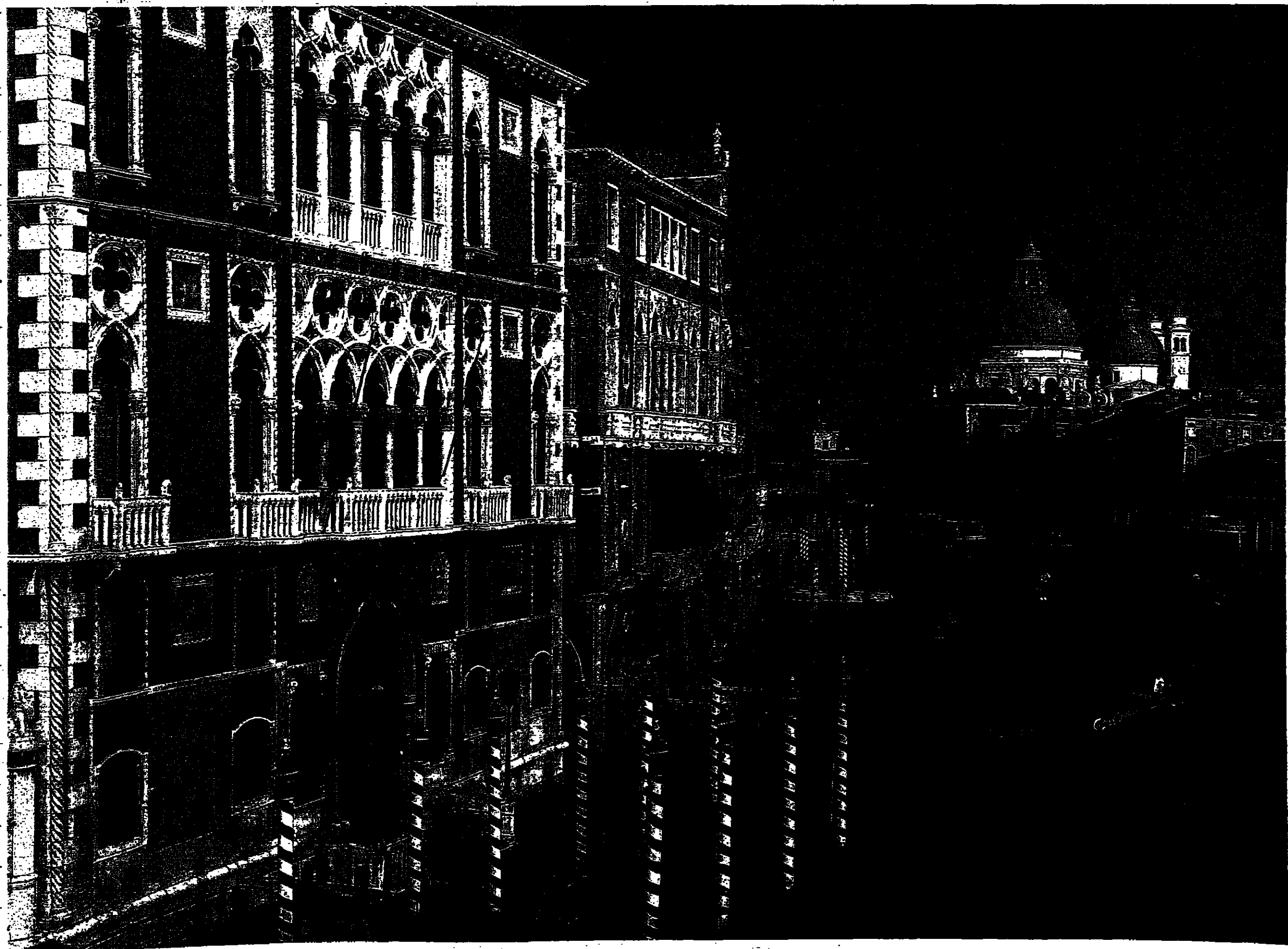
The incidents follow the death on Friday in a police shootout of Ignacia Ceborio Arriabarrena, a member of the armed Basque separatist movement who was wanted by the Spanish authorities for the last three years. (AFP)

### Rabbi Proposes an Open Auschwitz

WARSAW — Poland's chief rabbi, Menachem Pinkas Jaskowicz, called for the former Nazi death camp complex Auschwitz-Birkenau to be turned into an extraterritorial zone outside Polish control. (Reuters)



THEY WANT OFF — Ukrainians aboard a cruise ship anchored near Istanbul on Sunday pleading for help. They claim the crew abducted them in a mafia scam.





## INTERNATIONAL

## Amid Chaos at Airport, Air France to Miss Start of Cup

By Barry James  
International Herald Tribune

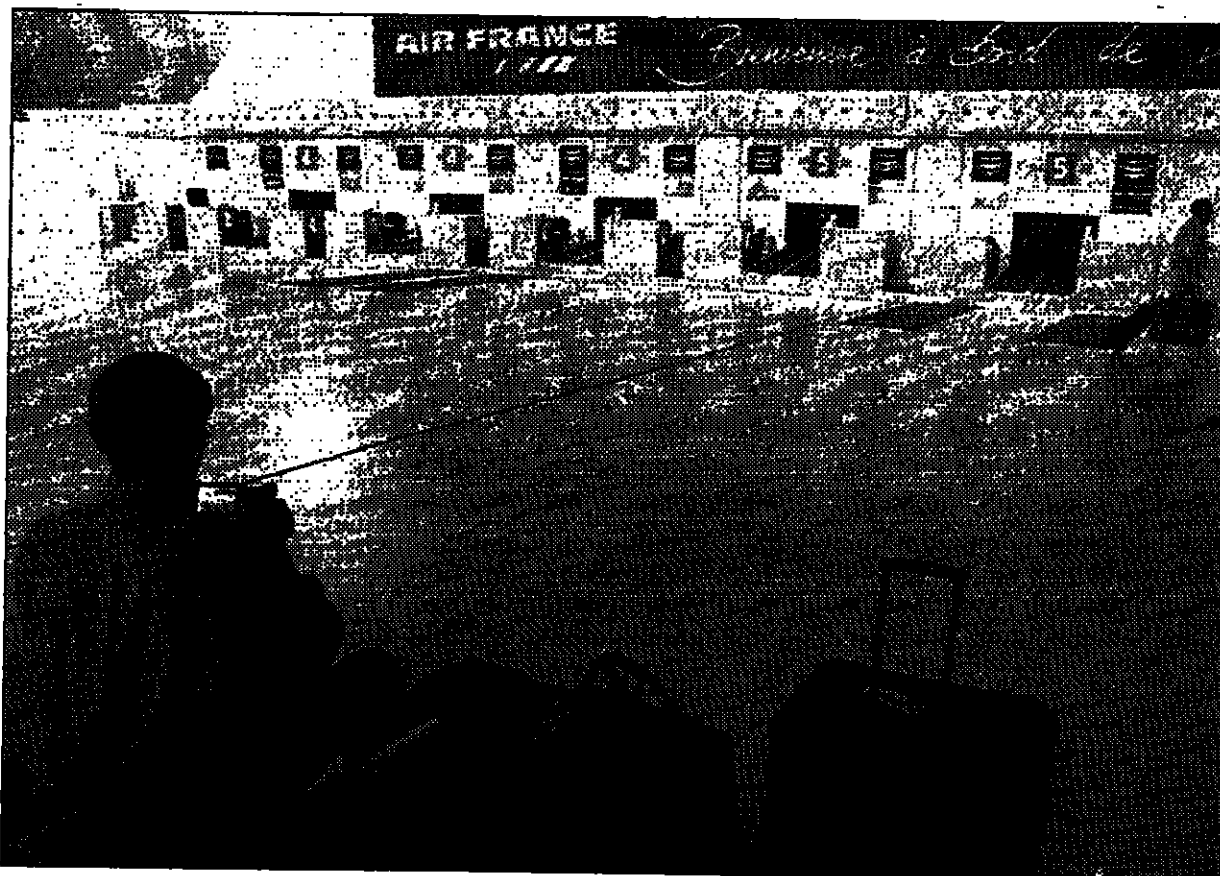
PARIS — With only two days to go before the opening of the World Cup soccer tournament, for which it is the official carrier, the strike-bound state-owned airline Air France stood no chance Sunday of getting back to normal before the world's largest sporting event gets under way.

"The cup will start without the aircraft of Air France," said the pilots' chief negotiator, Jean-Charles Corbet. Even if the stalled talks resumed Monday and came to a swift agreement, the airline said it would take up to three days to get its planes into position to restore scheduled services.

Air France said it would operate only one in four domestic, European and intercontinental flights Monday. It is committed to providing 160 special charter flights to transport the 32 soccer teams around the country in the first round of the tournament.

Chaos at Charles de Gaulle airport near Paris continued, even though baggage handlers obtained a World Cup premium payment and returned to work Saturday. But because of a walkout by technicians, conveyor belts were not operating. This meant that passengers still either had to carry their own bags or wait up to three hours for them to be delivered by truck. With traffic jams at the airport and its approaches worsened by hundreds of trucks, the air conditioning system inoperative because of the technicians' strike and ticket counters besieged by frustrated passengers, there were angry confrontations between staff and travelers.

Meanwhile, railroad ticket inspectors renewed their strike movement Sunday, causing cancellation of three out of four



A passenger videotaping empty Air France check-in desks Sunday at Paris's Roissy-Charles de Gaulle Airport.

trains on some main lines in southern France. A union representing some train engineers has called for a strike from Tuesday evening to Thursday morning.

World Cup organizers said the labor unrest would not stand in the way of the

opening party Tuesday night, including a carnival-style parade through Paris with 30-ton giant figures surrounded by 4,000 dancers and performers. The parade is expected to draw a million spectators and will be televised around the world. All private traffic will be banned in much of the center of Paris starting Tuesday morning.

The opening game between Brazil and Scotland was scheduled for Wednesday night at the new 85,000-seat stadium at Saint-Denis, just north of the capital, with seats costing up to 7,000 francs (\$1,175) in the luxurious hospitality boxes.

Having failed in two all-night negotiating sessions to sway the Air France management's determination to implement a cost-cutting strategy, the pilots appeared to be relying on the probability of transport chaos during the World Cup to force the government to intervene.

Prime Minister Lionel Jospin said the government stood ready to use its good offices, but not at any price.

The World Cup, he said, would take place normally. "The French people don't need to take the plane to go to the Cup, and

neither do other Europeans," he said. "And there will be plenty of companies that will transport the rest by plane to the detriment of Air France."

Mr. Jospin said the government stood behind the negotiating strategy of the Air France president, Jean-Cyril Spinetto.

"The future of the national airline depends on improving its competitiveness," he said.

Air France is seeking 500 million francs a year in savings on pilots' wages to help pay for an ambitious expansion program, including the purchase of 70 new aircraft following several years in

which it has not renewed its fleet.

It has proposed exchanging up to 15 percent of cockpit crews' salaries for shares when 20 percent of the company — valued at an estimated 3 billion francs — is offered to the public this year.

A more radical shares-for-salary swap at United Airlines has earned pilots between \$6 billion and \$7 billion in paper value, but the Air France pilots claim they are being asked to take a pay cut.

The unions also oppose a lower salary scale for starting pilots. Air France has agreed to abandon this demand on condition that the entire salary scale be revised to bring it into line with those at competing privatized companies, such as British Airways and Lufthansa, where pilots earn up to 40 percent less. The Air France pilots say they are entitled to more money because they fly for longer hours than those at the rival companies.

Strengthening the management's hand was a poll published Sunday in the newspaper Journal de Dimanche, which indicated that only 17 percent of French people strongly support the pilots, compared with 41 percent who supported truck drivers during a nationwide road blockade last November.

The strike has been criticized by other groups of workers among the 45,000 staff at Air France, who have already had to accept the sacrifices being demanded of the 3,200 pilots. They demanded and obtained a meeting with management Sunday. Unions warned of more labor unrest at Air France if the pilots win their demands. Cabin crew, for example, accepted a two-tier salary scale after a series of walkouts.

## ■ Gesture from the Pilots

The Air France pilots offered Sunday to transport ticket holders to the World Cup if the carrier puts on special flights to carry them, Agence France-Presse reported from Paris. The pilots said they would fly the planes without pay.

François Brousse, the Air France communications chief, called the offer "a positive gesture."

## BRIEFLY

## Iraq Renews Effort To End Sanctions

BAGHDAD — Iraq has decided to halt the influx of food and medical aid shipments from abroad and called on foreign countries instead to support its case for a lifting of UN economic sanctions.

The government, in a meeting chaired by President Saddam Hussein late Saturday, ordered Iraqi agencies "to apologize for not receiving any material aid which could be classified as humanitarian aid."

There was no official explanation for the move. But the decision, which follows an increase in the amount of money that Iraq can raise from UN-authorized oil exports, was seen as part of Baghdad's efforts to press its case for sanctions to be lifted. (AFP)

## Clinton Is Facing Tense Zedillo Talk

MEXICO CITY — President Bill Clinton will hear some heated words from President Ernesto Zedillo of Mexico when the two meet Monday. Mexico is still annoyed about a secret U.S. sting operation against Mexican money-launderers.

Mr. Zedillo has promised his countrymen to question their northern neighbor for breaking pledges of bilateral cooperation by carrying out the bold anti-drug operation while keeping Mexico in the dark.

Mr. Clinton and Mr. Zedillo will be joined by other world leaders at a United Nations drug summit meeting in New York.

In a sting called Operation Casablanca, U.S. agents lured Mexican bankers to a fake casino in the United States. As a result, about 150 people were arrested, \$50 million was seized and three Mexican banks were indicted. (Reuters)

## Mexican Fires Burn

MEXICO CITY — The first rains of the season have fallen across parts of Mexico and Central America but have not quenched many wildfires that are destroying virgin forests and feeding a smoke cloud that is drifting across the southern United States, officials said.

Mexican and American officials predicted that some fires, which have consumed millions of acres of forest and grassland across the region, might continue to rage for several weeks. About 150 fires, 23 of them large, very destructive blazes, were burning. (NYT)

## Bishop Honored

GUATEMALA CITY — Government authorities joined priests and thousands of ordinary Roman Catholics to mark the 40th day since the murder of Bishop Juan Gerardi, a lifelong human rights activist.

The bishop was bludgeoned to death April 26, two days after he made public a scathing report on human rights abuses. (AFP)

## Battle in Bissau

LISBON — Soldiers exchanged gunfire early Sunday in Bissau, the capital of Guinea-Bissau in West Africa, killing up to 10 people, news reports said.

Shooting started about dawn at the military headquarters in Bissau and lasted for more than three hours, the Portuguese news agency Lusa reported. The 10 dead were soldiers, the agency reported. (AP)

## For the Record

Three BBC television journalists charged in Yemen with filming without official permission were acquitted Sunday by a San'a court. (Reuters)

## Philippine Airlines Fires Pilots

The Associated Press

MANILA — Philippine Airlines announced Sunday that it was dismissing all striking pilots who had defied a return-to-work order, plunging the financially troubled airline into one of its most serious labor crises.

The dismissals came after the pilots continued a strike and carried out a protest march Sunday, defying airline threats of dismissal unless they returned to work by noon.

"Some pilots were able to beat the deadline but those who remained defiant were, in accordance with law and jurisprudence, declared as having lost their jobs with the airline," the carrier said.

An airline official said that "virtually all of the airlines' pilots" had been

terminated and they had started processing applications for new pilots.

The strike began Friday, resulting in the cancellations of more than 50 international and domestic flights and leaving hundreds of passengers stranded.

Calling the strike illegal, the airline dismissed 29 officers of the 620-member Airline Pilots Association of the Philippines on Saturday and warned the remaining members that they would also be dismissed if they did not return to work by noon Sunday. The 620 striking pilots represent the airline's total pilot force.

The union is protesting a new management policy of dismissing pilots who have reached 20 years of service or flown 20,000 hours, regardless of age.

## Alfred Kazin Is Dead at 83; Leading U.S. Literary Voice

By Wilborn Hampton  
New York Times Service

NEW YORK — Alfred Kazin, author, critic, teacher and New York intellectual, died in New York City on Friday, his 83d birthday.

Through the last few years of his life he lived with the slow progression of prostate cancer and also suffered from bone cancer in his last months. He continued to work until the end.

For more than 50 years, Mr. Kazin wrote prolifically about two great subjects: American literature and himself.

His territory was the Brownsville section of the borough of Brooklyn, where he grew up, the streets of the city, which he restlessly walked as if Herman Melville, Edgar Allan Poe and Walt Whitman were beside him, and the landscape of American literature, which he criticized with passionate intensity.

Philip Roth, commenting Friday on Mr. Kazin's contribution to American letters, described his 1942 book "On Native Grounds" as a "brilliant reinterpretation of American literature from William Dean Howells to William Faulkner, a book of literary criticism which read like a passionate communication intended for intelligent, living human beings rather than like a 1940s academic exercise or a 1930s political tract."

Reading and writing were Mr. Kazin's lifeblood. He could recall whole passages from novels with acuity and he wrote prolifically, finding in the written word a sort of religion that sustained him throughout his life.

As a critic, he said writers should be understood in relation to their culture. Unlike the New Critics, he did not engage in minute textual analyses, and he paid less attention to style and form than to the relationship of a literary work to its time.

Mr. Kazin's parents, both emigrants from czarist Russia, instilled in him what

he later described as "quaint old-fashioned socialism" and the "historic Jewish effort to realize the kingdom of God in this world." He escaped the poverty of his youth through the pages of books.

But if literature transported him far from the tenements of his childhood, he never disowned his origins, to which he returned frequently, with affection and wit and honesty, in his writings.

Of his memoir "A Walker in the City," he said he had sought to write something like Whitman's "Leaves of Grass" or "The Bridge" by Hart Crane in prose. The book, which appeared in 1951, established him as one of the country's leading postwar voices.

Samuel Yorty, 88, Blunt Mayor of Los Angeles in '60s and '70s

LOS ANGELES (NYT) — Samuel William Yorty, 88, the blunt-talking, self-promoting mayor of Los Angeles who took credit for building up the city yet denied any responsibility for the Watts riots in 1965, died Friday at his home in Los Angeles after suffering a stroke May 24.

Mr. Yorty also served two terms in Congress, but became a national figure because of his tenure in Los Angeles, from 1961 to 1973, and for his unabashed, contrary ways.

He began his career as a liberal Democrat and ended it as a conservative Republican. He was elected mayor despite alienating his party by supporting Richard Nixon, not John Kennedy, for president in 1960.

He was one of the first local politicians to recognize the power of the camera. He appeared on television often and in 1967 was host of a local television program, "The Sam Yorty Show." After being defeated and leaving office in 1973, he had to settle for being heard, not seen, and landed a job as a host for a radio call-in show.

## CROSSWORD

## ACROSS

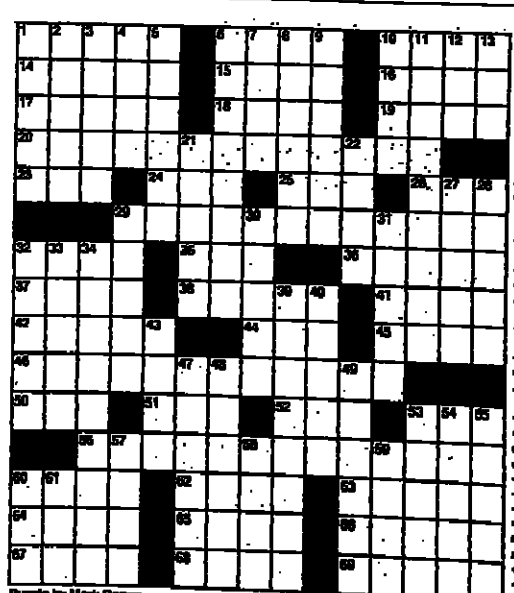
- 1 Feudal workers
- 6 Italian money
- 10 Con artist's art
- 14 Characteristic
- 15 Scent
- 16 Barber'shop emblem
- 17 Indy 500 competitor
- 18 Suckling spot
- 19 Landed (on)
- 20 First step for a would-be groom
- 21 vs. & vs. his intended's father
- 22 Director Craven
- 24 Mauna —
- 25 Arrow's path
- 26 New Deal org.
- 28 Kind of talk the would-be bride had with mom
- 30 Commedia dell'arte
- 35 A.F.L.'s partner
- 36 — into holy matrimony
- 37 Sets of pews
- 38 Namely
- 41 " — pin and pick it up . . ."
- 42 Bulwinkle, e.g.
- 44 Opposite of WSW
- 45 Coffee servers
- 46 How the would-be groom proposed
- 48 Actor Fernando
- 51 Wedding —
- 52 Letters on a Cardinal's cap
- 53 Shoot the breeze
- 56 What the bride's father did vis-à-vis the reception
- 60 "Neato!"
- 62 Director Kazan
- 63 Kind of lily
- 64 Dull sound
- 65 Notes after do
- 66 Ebb and neap, e.g.
- 67 Peeved
- 68 British gun
- 69 What Italians do
- 9 Prefix with -pod or -scope
- 10 Bridge unit
- 11 It's thrown on — bad ideas
- 12 He K.O.'d Foreman 10/30/74
- 13 Bumped into
- 21 Taka counter-measures
- 22 Be in pain
- 27 Groom carefully
- 28 Gillette razors
- 29 "Siddhartha" writer
- 30 Hauled
- 31 Follow as a result
- 32 Knight's garb
- 33 TV news exec Arledge
- 34 Common board size
- 38 Tough job for a dry cleaner
- 40 Tithing amount
- 43 Within; Prefix
- 47 Library gadgets
- 48 Shoeless hole
- 49 Votes into office
- 53 Funny lady Radner
- 54 Funny man Woody
- 55 Great time, or great noise
- 57 Kind of shoppe
- 58 Onetime phone call cost
- 59 Get-out-of-jail money
- 60 Pennies; Abbr.
- 61 "Well, what's this?"

## Solution to Puzzle of June 6-7

SEATED COHERENT  
ENTIRE I LOVE YOU  
ATHROB RED ALERT  
BREADS CAAN BET  
LAINE KURD YALU  
UPSAIDISY MULCT  
EST REP HELLOS  
ANKLEBONE  
JESSES RUN NIP  
EXIST AFRIKAANS  
APLAY AHOY ERICA  
LAM OWEY GRAVEL  
ONEALARM UNBENT  
USSAINE NEISSE  
SEATER SLAYER

## DOWN

- 1 Scarecrow
- 2 Wipe out
- 3 Pool ball sorters
- 4 Where 1-Across stayed
- 5 Golf shot
- 6 Ladies' man
- 7 — fox
- 8 Greet with loud laughter
- 40 Tithing amount
- 43 Within; Prefix
- 47 Library gadgets
- 48 Shoeless hole
- 49 Votes into office
- 53 Funny lady Radner
- 54 Funny man Woody
- 55 Great time, or great noise
- 57 Kind of shoppe
- 58 Onetime phone call cost
- 59 Get-out-of-jail money
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Puzzle by Mark Demme

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## INTERNATIONAL

## Is Israeli Verdict on West Bank Near?

## Speculation Mounts as Netanyahu Weighs Choices on Pullout

By Lee Hockstader  
Washington Post Service

JERUSALEM — For Prime Minister Benjamin Netanyahu of Israel, the day of reckoning on Middle East peace may be closing in fast.

After countless delays, lapsed deadlines and expressions of rising frustration on all sides, there is a sense in Israel and Washington that Mr. Netanyahu may at last decide whether to accept a deal with the Palestinians on a West Bank troop withdrawal.

Boiled down to its essentials, Mr. Netanyahu's choice is whether to pull back some troops from parts of the West Bank and risk the political fallout, or sit tight and deal what could be a death blow to the peace process begun in Oslo in 1993. Both American officials and the prime minister's aides suggest that a resolution may be days away.

This is not something that's going to go on much longer," Secretary of State Madeleine Albright said recently.

Neither option appeals to Mr. Netanyahu. Going forward with an Israeli troop withdrawal from 13 percent of the West Bank — the essence of the compromise proposed by U.S. mediators and accepted by the Palestinians — could jeopardize the shaky rightist coalition government on which Mr. Netanyahu relies.

The most hawkish of his coalition allies have vowed to quit if the American plan is adopted — or indeed if any land is ceded to the Palestinians. As a result, in recent days the prime minister's allies have spoken openly of their options should the coalition collapse. The most feverish speculation surrounds forming a "national unity" government with the opposition Labor Party, which could be counted on to back the troop withdrawal if Mr. Netanyahu's rightist allies did not.

At the same time, Jewish settlers, who fear that their villages and hamlets in the West Bank would be isolated and imperiled by a troop pullback, have mounted an aggressive lobbying effort to kill the American plan. Their campaign, which includes mailing 1 million brochures to Israeli households, aims to sway public opinion against a troop redeployment. But it is directed equally at Mr. Netanyahu, who counted on substantial backing from the settlers in his election victory two years ago.

The prime minister's aides say he is ready to go to the mat with his coalition if he believes he has a good deal with the Palestinians. But U.S. officials, who have been waiting for Mr. Netanyahu to make such a decision for months, are unconvinced.

An American close to the process said that if Mr. Netanyahu "wanted to do this," most of the coalition would follow him. "But he wants to do this without confronting difficult political choices," the source added. "And there's no peace process on the cheap."

Yet if making a deal with the Palestinians is risky for Mr. Netanyahu, doing nothing is at least as perilous.

Moderates in his coalition have threatened to withdraw and attempt to bring down the government should the peace process stall much longer. Several European governments have made clear that they consider Mr. Netanyahu primarily responsible for the 15-month hiatus in Middle East peacekeeping. The Americans, despite dents in their credibility caused by previous dire warnings unmatched by consequences, are by all accounts at the end of their patience.

And then there is the Israeli electorate, which polls show is heavily in favor of advancing the peace process through troop redeployments — if not necessarily as steep as the one proposed by the United States.

Washington has done its best to inject a note of urgency into the decision-making, with the American ambassador in Israel, Edward Walker, and other officials speaking publicly of the need to move in a matter of days.

Amid the mounting pressure, Israeli newspapers this past week published details of a draft U.S. plan for Israel to pull troops back from 13 percent of the West Bank in return for Palestinian

moves to increase security in the territory and fight terror.

Officials said the draft was about a month old and had undergone a number of changes. But the basic contours of the plan, a three-stage withdrawal over three months with each phase tied to Palestinian commitments, is believed to have remained unchanged since the Americans advanced it this year.

According to the daily Ha'aretz, which reported the details of the American proposal, the plan would give the Palestinian Authority of Yasser Arafat outright control of 18.2 percent of the West Bank, and civil — though not military — jurisdiction over a further 21.8 percent.

## ■ Israeli Leader Dampens Hopes

Dampening hopes for movement in the stalled Mideast peace process, Mr. Netanyahu said Sunday that no accord was imminent on a West Bank troop pullback. The Associated Press reported from Jerusalem.

The prime minister told his cabinet that "it is not possible to say we are on the verge of an agreement."

Later, he said: "We're working toward reaching an agreement. We're not there yet."

In recent days, speculation had grown that Israel was close to a decision. But the cabinet said Sunday that there was no agreement on a second or third troop redeployment, and that Israel and the Palestinians still did not agree on steps the Palestinians would take in exchange for the Israeli pullbacks.



"We're not there yet" on a withdrawal deal, Mr. Netanyahu said Sunday.



Gholam-Hossein Karbaschi, accused of "despotic behavior," addressing judges in Tehran on Sunday.

## Mayor of Tehran Denounces Accusers

## ging 'Political Scheming,' He Rejects Charges as His Trial Opens

Compiled by Our Staff From Dispatches

Tehran — The reformist mayor on Sunday rejected corruption charges and denounced "political lies" on the opening day of his trial in a case that has jolted the regime.

Gholam-Hossein Karbaschi, who led this metropolis of some 10 million people since 1989, was charged with fraud, embezzlement of public funds, mismanagement and "despotic and tyrannical behavior."

Iran's most influential political figure, 44, was also accused of diversion of public funds amounting to around \$5 million dollars, illegal sales of building permits and destruction of wooded areas for property speculation.

The mayor also said that the prosecution was trying to trump up a sex

charge against him by detaining and "putting psychological pressure" on a female employee of the municipality to testify that he had adulterous relationships with other female staff members. Sunday's hearing lasted nearly four hours and is to resume Thursday. Neither Mr. Karbaschi or his lawyers entered a plea to the charges.

The open trial of Mr. Karbaschi, a key supporter of President Mohammed Khatami, is unprecedented since the 1979 Islamic Revolution.

The move in the courts was widely seen as a bid to topple key officials allied with Mr. Khatami, who took office in August. Mr. Karbaschi ran Mr. Khatami's election campaign.

More than a dozen senior municipal officials have been put on trial since last October. Most were accused of taking kickbacks for building permits.

(AFP, Reuters)

## Business Booms Overseas for U.S. Small-Arms Dealers

By Raymond F. Bonner  
New York Times Service

Monon Islands, a tiny country in the Pacific with a population of 400,000, has no police force of barely 1,000, traffic policemen. But last summer, it purchased enough equipment to outfit a small combat unit, including assault rifles, helmets, boots and two planes from a U.S. company.

These private sales of small weapons are more difficult for Congress and the public to track than the transfers of military hardware sold by the Pentagon. The government agencies that license private sales, including the State and Commerce Departments as well as the Customs Service, will not release information about who gets licenses for what weapons because the records are considered "confidential business information."

But it is the so-called small arms — assault rifles, pistols, mortars — that are fueling the

small-arms trade that has equipped terrorist organizations and civil wars from Afghanistan to Rwanda. Within the U.S. government, arguments that such sales might fuel an ethnic conflict, or go to a government with a poor human rights record, are routinely drowned out by arguments that the deal will be good for U.S. business and improve relations with other countries, U.S. officials say.

Even as the end of the Cold War has brought a decline in government sales of tanks and jet fighters, the private military trade is booming. From annual sales of between \$2 billion to \$3 billion during most of the Cold War, shipments have climbed to more than \$25 billion in 1996, government records show.

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But it is the so-called small arms — assault rifles, pistols, mortars — that are fueling the

regional, ethnic and nationalist wars.

"Available in abundance, cheap to buy, requiring little training to use, small arms have become the weapons of choice for the present day conflicts fought mostly in the streets and back lanes by irregular troops in violation of accepted standards of humanitarian law," said Jayanthan Dhanapala, the UN undersecretary general for disarmament, said at a recent conference in Oslo on controlling the trade in light weapons.

More than 80 percent of the victims of small-arms fire are women and children, he said. Joseph Hiltnerman, director of the Arms Control Project at Human Rights Watch, characterized the Solomon Islands transaction as "fairly typical" of small-arms deals. Major countries, like the United States, and even more so Russia and China, he said, sell weapons for commercial reasons without caring much about the consequences. And while an individual deal might mean little for large arms-producing nations, the consequences can be devastating for the region where the weapons are headed.

A senior U.S. military officer who has served in the Pacific agreed. "Here you have a country that has virtually no money for basic services for its citizens, for schools, hospitals,

roads. What is the compelling reason for spending money on arms? Can't we just be ones to say 'no'?"

The Clinton administration has pushed for international treaties to curb the illegal trade in firearms, because these generally end up in the hands of street criminals, organized-crime syndicates, or organizations Washington considers terrorist.

But there is a growing movement by groups like the British American Security Information Council and the International Committee of the Red Cross as well as governments like Norway and Belgium to put controls on the legal arms trade.

"If you want to control the illegal trade in light weapons, there has to be more controls on the legal trade, beginning with more transparency," said Lora Lumpe, director of the Arms Sales Monitoring Project at the Federation of American Scientists in Washington.

Most shipments of light weapons receive "little or no congressional or public scrutiny," she said. The State Department, she added, is only required to report to Congress on individual military sales in excess of \$14 million and many small-arms deals fall below that amount, such as the one to the Solomon Islands.

## Town of Jack and Jill To Restore That Hill

Reuters

LONDON — The English hill up which Jack climbed with Jill to fetch a pail of water is to be restored to its former glory.

Local officials in the Somerset village, which inspired the English children's nursery rhyme 450 years ago, are to mend the well at the top of Bad Stone Hill. They also plan to repair the path down which Jack came tumbling and broke his crown.

"We want to give others the chance to come along and enjoy the site where Jack and Jill once climbed so that they too can make the nursery rhyme come alive," said Barry Fowler, a parish council chairman.

Jack and Jill are believed to have been unmarried lovers who lived in the rural southwest English village of Kilmersdon in the late 15th century.

Jack was killed by a boulder that broke away from the hill, and Jill died in childbirth a few days later.

The well was sealed up 75 years ago because it was considered dangerous, and the steep hillside path is crumbling.

The parish council this week applied for a £30,000 (\$49,000) grant to repair the well and landscape the pathway.

## Cagayan Economic Zone Authority

7th Floor, Westar Building, 611 Shaw Boulevard, Pasig City 1603, Metro Manila, Philippines  
Tel: (632) 532-5761 TO 82 FAX: (632) 531-3887

## INVITATION TO PREQUALIFY AND TO BID

The Cagayan Economic Zone Authority through its Prequalification, Evaluation and Awards Committee (PEAC) invites interested Local and Foreign firms to apply for prequalification and eventually, to submit bid, if qualified, for the Consultancy Services for the Preparation of Detailed Engineering Design for the Cagayan Special Economic Zone and Freeport Master Plan and Major Infrastructure Projects (CSEZFP). The scope of work will include but not limited to: Detailed engineering design, site investigation, structural evaluation, soil and material investigation, construction plans, rates and preparation of documents for bidding purposes, program of work faster Development Plan Phase I, review and integration study of major structure projects.

Prequalification documents are available for issuance to prospective bidders at the 7th Floor, Westar Building, 611 Shaw Boulevard, Pasig City, Metro Manila, Philippines, upon presentation of Letter of Intent and Original Certificate of Registration or Special Permit from PRC for foreign consultant for authentication. Documents may be obtained upon payment of non-refundable fee of P 2,000.00 or US\$ 60.00 starting May 25 to June 15, 1998.

Five copies of the duly accomplished prequalification statement together with all the requirements shall be submitted to PEAC Secretariat on or before PM of June 20, 1998.

All particulars relative to prequalification, bid bond, performance bond, pre-award, bid evaluation and award of contract shall be governed by the A Guidelines on the Procurement of Consulting Services for Government (Implementing Rules and Regulations). CEZA reserves the right to reject any, all bids or parts thereof, waive infirmities therein, or to accept such bids as may be advantageous to the Cagayan Economic Zone Authority.

(SGD.) IRENEO V. VIZMONTE  
CHAIRMAN, PEAC

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\*Clearest based on 1997 customer preference study.



## EDITORIALS/OPINION

INTERNATIONAL  
**Herald Tribune**

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

**Picking Up the Pieces**

The five internationally recognized nuclear powers, which are also the five permanent members of the UN Security Council, now ambitiously urge India and Pakistan to reverse their nuclear programs. Meanwhile, and more realistically, they appeal to the two new and unrecognized nuclear powers to halt further testing, to swear off weapons deployment and to turn their attention to disputed Kashmir, a possible flash point of their fourth war. These are feasible and essential purposes. The nationalist pride of India and the existentialist fear of Pakistan make it unlikely that either will soon renounce its nuclear drive. But a residual common sense and their considerable economic dependency are also at work on their policy.

It is being said that the South Asian tests make the nonproliferation treaty and the test ban treaty "worthless" and "irrelevant," and expose a dangerous American overreliance on "pieces of paper." But the 30-year-old nonproliferation treaty merely records a commitment, one no stronger or

weaker than the readiness of the nations to enforce it. The nonproliferation regime could certainly use stronger teeth. Nonetheless, through 30 anxious years it has produced not the 20 or 30 new nuclear states feared by John Kennedy but, until last month, no new declared nuclear states at all and only three undeclared ones. The regime has also detoxified a half-dozen nuclear wannabes.

Among the five old declared nuclear countries, only the United States is imposing sanctions, and that by an inflexible congressionally imposed law. But on the testing issue as on others, sanctions punish but punish indiscriminately. Those imposed on India and Pakistan — friendly and more or less democratic countries, after all — must yield in time to international standards for ending tests, cutting off fissile-material production, not helping others make bombs and the like. As imperfect as these may be, they beat any visible alternative.

—THE WASHINGTON POST.

**Don't Fudge on China**

President Bill Clinton's visit to China later this month is inextricably entangled in an array of political and security problems that will shadow his trip. He will need to be sure that he does not gloss over the hard issues in his eagerness to improve relations.

Mr. Clinton, for instance, must not push security matters to the margin when he engages the Chinese leadership on commercial opportunities. The administration's handling of technology transfers to China has been sloppy, producing at least one potentially serious breach of rocket-guidance information. Expanding trade is fine, but not at the cost of sensitive military secrets.

China's own transfer of nuclear technology to Pakistan needs to be addressed. Without the Chinese assistance, Pakistan would not have been able to develop the weapons it tested last month. China's previous promises to prevent the sale of nuclear goods to Pakistan have proved unreliable. Unless China now plays a more constructive role in South Asia, it will be difficult to prevent a nuclear arms race between India and Pakistan.

There may also be a temptation to sidestep China's efforts to influence the 1996 presidential election with illicit campaign contributions. A Democratic Party contributor, Johnny Chung, has told federal investigators that he donated money provided by a Chinese aerospace company controlled by the Chinese military. Armed with that knowledge, Mr. Clinton cannot accept China's bland denials of any attempt to

interfere in the U.S. electoral system.

Human rights are another important front. Here, too, Mr. Clinton should not shy away from challenging Chinese conduct. Contrary to demands from Congress that he omit his scheduled stop in Tiananmen Square, he should go there and affirm America's continuing support for democratic ideals.

He can far better honor the memory of those massacred there nine years ago by visiting, rather than boycotting, the site. Hundreds were killed, but their cause remains alive, thanks to the courage of a few famous dissidents and of thousands of lesser-known Chinese, many of whom are still serving prison sentences for their beliefs.

One of the more important powers of a traveling president is the right to speak plainly in lands unaccustomed to open debate. Ronald Reagan used this freedom to good advantage when he visited the Soviet Union in 1985, meeting with prominent dissidents and talking directly to Soviet audiences about the advantages of democracy. Mr. Clinton can do the same in Beijing by using Tiananmen Square as the backdrop for a blunt speech about the value of freedom and human rights.

The easiest course for Mr. Clinton would be to cancel the China trip. He properly rejected that option. But in going he must not duck the issues that divide Washington and Beijing. Stable, mutually beneficial relations will never be possible if American leaders do not forcefully defend American interests.

—THE NEW YORK TIMES.

**Warn Milosevic**

President Slobodan Milosevic of Yugoslavia is incorrigible. Forced to accept peace in Bosnia, he is now uprooting thousands of ethnic Albanians from the Serbian province of Kosovo. His military campaign, the largest since the end of the Bosnian war, threatens to ignite a wider conflict in the Balkans. America and its European allies urgently need to increase the pressure on him to desist.

For the last week, Serbian security forces using helicopters and heavy artillery have terrorized ethnic Albanian civilians near Kosovo's border with Albania. Their ostensible objective is to cut off escape routes used by the Kosovo Liberation Army, an ethnic Albanian guerrilla group that has gained strength in proportion to the brutality of Mr. Milosevic's repression. Kosovo's 1.8 million ethnic Albanians make up 90 percent of the province's population. They have been denied civil rights since Mr. Milosevic revoked Kosovo's autonomy in 1989.

His brutal tactics could draw Albania into the conflict. Macedonia, with a large Albanian minority, could also face pressure to intervene. It is even conceivable that Turkey and Greece might enter the conflict.

American security interests could quickly come into play in such a Balkan brawl. Washington must promptly reinstate the sanctions it lifted a few weeks ago when Mr. Milosevic agreed to meetings with Kosovo Albanian leaders. It is now clear that he had no intention of conducting those talks in good faith.

**Other Comment**  
**Make Milosevic a Pariah**

For America, Slobodan Milosevic [should be] a pariah. Because of our misplaced gratitude to him for his compromises at Dayton over Bosnia, that is not the signal we are now conveying. More and more Serbs are beginning to understand that [he] has brought his people nothing but disaster. He has decimated the Serbian population of Croatia, humiliated and impoverished the Serbs in Bosnia, provoked the inexorable exodus of Serbs from Kosovo, and wrecked the economy of Serbia itself. His rule is not eternal.

—Warren Zimmermann,  
commenting in *The National Interest* (Washington).**Don't Expect Real UN Action Against Drug Traffic**

By Jeffrey Robinson

LONDON — A two-day Special Session of the General Assembly opens this Monday at the United Nations in New York, intended as a major assault on the global drug problem. By Tuesday night, everything will return to business as usual, including the inability of the United Nations to have any effect on the global drug problem.

They have gone this route before. In 1988 the General Assembly adopted the Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. Ten years later, a quarter of the member states had still not signed on, and among the rest fewer than 30 bothered passing legislation that even came close to resembling the model in the convention.

The United Nations' impotence stems directly from individual members' interests. Too many countries flourish in the narco economy.

Worldwide, more money is spent on illicit drugs than on food, making illicit drugs the planet's largest and most lucrative cash crop.

The devastation wreaked by drugs on everything from families to democracies is too often shrouded by glass skyscrapers — witness Miami, now the economic capital of South America. Or

by the dividends of international banking groups — bad loans to Latin America in the 1970s were repaid thanks to drug money. Or by the huge invisible earnings of global financial centers — witness Britain selling its sovereignty in the murky world of offshore banking.

Ultimately, rhetoric is easier than turning the war on drugs into a war on the business of drugs.

As in any multinational industry, drug trafficking thrives on cash flow and reinvestment. Cash from the streets gets put into the world's banking system, moved in and out of shell companies and through secret banking jurisdictions, then repatriated, disguised as legitimate profit.

The United Nations has conceded that as much as \$300 billion worth of drug money is currently immersed in this money laundering cycle. Yet more than 50 UN member states openly sell phony shell companies.

It is not just the Caribbean — the Cayman Islands, for example, with one bank for every 57 citizens. It is also Western Europe (Switzerland, Liechtenstein, Luxembourg, the Channel Islands), the Middle East, Latin America,

Eastern Europe, Africa (Nigeria in particular) and the Pacific.

Two months ago, preparing a French television film based on my book "The Laundrymen," I phoned a company-information agent in London to wonder, blatantly, where I could hide money. The person suggested Nine. Where is that? The person didn't know.

It turns out to be a British Commonwealth sandbar in the middle of the Pacific, population 2,321. It has been put on the map by Panamanian lawyers acting for Colombian drug barons.

For \$135, white-collar professionals operating legally in UN member states will hook anyone into the network of countries, companies and banks used for hiding dirty money.

Company-formation agents are backseat passengers on this bandwagon. Sitting up front are otherwise legitimate bankers, lawyers and accountants who have mined colossal fortunes out of brokering dirty money.

The United States has the world's strictest regulations against money laundering — perhaps not surprisingly, as it is the largest consumer of illicit drugs. Yet there are no laws in the United States or in any other member state which hold white-collar professionals criminally responsible for not

knowing that way down the line the ultimate beneficial owner of the money turns out to be a drug baron.

Relying on "plausible deniability," these professionals need only look to their immediate client to claim: "I'm not dealing with a trafficker, I'm doing business with a lawyer."

Requiring them to identify everyone involved at every level back to the ultimate beneficial owner of the money would effectively thwart the traffickers' ability to launder his profits.

And the community of nations should ruthlessly ostracize governments which countenance trafficking and money laundering. Shutting down businesses in member states, that rely on secret banking and phony shell companies in rogue states would send the correct zero-tolerance message. You beat the traffickers by bankrupting them.

But that means taking on globally influential bankers, lawyers and accountants, and at least a quarter of the member states. Where are the politicians with the stomach for this fight?

The writer's books include an updated edition of "The Laundrymen," a survey of the world of money laundering. He contributed this comment to the *International Herald Tribune*.

**Peacemaking Needs Help From Arab Governments, Too**

By Henry Siegman

NEW YORK — Leaders of Arab countries friendly to America are deeply disappointed with its role in the Middle East peace process. The Clinton administration has permitted Israel's prime minister, Benjamin Netanyahu, to bring the process to a complete halt without even so much as calling his obstructionism by its right name.

Arab leaders have good reason to be angry with the United States, especially with the pandering by both Republican and Democratic legislators to the most hawkish sentiment in the American Jewish community.

The unprincipled behavior of Congress and the weakness of the administration threaten to return the region to its violent past, to endanger major American interests and to destabilize the regimes of friendly allies.

But these Arab critics of U.S. policy should look at their own behavior first, for it is no less destructive of Middle East peace and, indeed, of the stability of their own regimes.

Nothing is better calculated to destroy what little hope there is of rescuing the Oslo accords than the welcome that Sheikh Ahmed Yassin, the leader of Hamas, has been receiving from Arab governments.

In recent weeks Sheikh Yassin has been warmly received by leaders of Saudi Arabia, Kuwait, the United Arab Emirates, Qatar and Yemen, not to speak of Iran, Syria and Sudan. Fulminations against Mr. Netanyahu are absurdly inconsistent. One cannot be against Mr. Netanyahu but for Hamas.

After all, it was the terrorist outrages of Hamas in February and March 1996 that doomed the candidacy of Shimon Peres and brought Mr. Netanyahu to power. More of Hamas can only mean more of Mr. Netanyahu.

It is not just a question of consistency. Sheikh Yassin is being given conspicuous platforms from which to spout the most hateful threats against Israel, promising its obliteration.

Do not Arab leaders in the Gulf understand how their hospitality for this violent rhetoric will turn off those in Israel who want Oslo to succeed and who support Palestinian statehood?

Particularly incomprehensible is the willingness of Sheikh Yassin's Arab hosts to provide his organization with financing. The notion that it is money intended for charitable purposes insults the intelligence.

Arab leaders who are funneling these funds to Hamas know that at least some of it will be used by Hamas suicide bombers to blow up innocent Israeli women and children.

There was a time when Gulf countries deputed themselves that they could buy protection by paying off terrorists. One would have thought that they learned the folly of that notion after Iraq's invasion of Kuwait, which undoubtedly would have been followed by an invasion of Saudi Arabia had the United States not mobilized Operation Desert Storm.

The Iraqi depredations were

fully supported not only by the Palestine Liberation Organization but also by extremist fundamentalists to whom the Saudis and other Gulf countries were paying protection money.

The support that many in the region are giving Sheikh Yassin and Hamas will destroy prospects for regional peace even more surely than Mr. Netanyahu's policies. This is so because sooner or later Israelis will wake up out of their torpor to the destructive implications of the policies pursued by Mr. Netanyahu in the name of security.

The palpable damage that he has done to Israel's security by increasing its isolation in the region and its alienation from

traditional friends in Europe, and even from the United States, will not be tolerated by Israel's electorate for long.

An ascendant Hamas, on the other hand, would spell the end of Yasser Arafat.

Arab leaders who are cynically giving red-carpet treatment to Sheikh Yassin — not less than Israel's leaders — should think hard about a basic truth: There is no Palestinian leader on the horizon today who can sell a peace agreement to the Palestinian people that falls short of maximal Palestinian demands — i.e., a full return to the 1967 borders and control of East Jerusalem — other than Yasser Arafat.

Actions that undermine Mr. Arafat, whether pursued by the Israeli government or by Arab regimes, will return the region to the violence and stagnation that will reduce it again to the backwater it has been for so long in the global economy.

This prospect may be acceptable to Mr. Netanyahu, for whom any alternative may be preferable to returning territory to the Palestinians. What is puzzling is why Arab leaders would want to play into his hand.

Such self-destructive Arab actions are part of a larger policy failure. Many Arab countries, particularly in the Gulf, have failed to pursue proactive policies intended to persuade the critical Israeli center, which invariably decides whether a Likud or a Labor government will be in power, that the territorial compromises required for peace will be fully compensated for by the normalcy, friendship and stability that will characterize their peaceful relations with Israel.

Instead, they have essentially acted as disinterested parties to the sidelines who are observing developments rather than helping to shape them. Such a passive posture falls far short of the challenges of peacemaking, and the risks that go with it must be assumed by all in the region, not only by Israel and its immediate neighbors.

The writer is a senior fellow at the Council on Foreign Relations. He contributed this comment to the *International Herald Tribune*.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

**Washington at Sea in a Stormy Night**

By Tad Szulc

LOS ANGELES — At a time when the world appears to be in the greatest disarray since the end of World War II, from Azerbaijan to the former Zaire, U.S. foreign policy is bereft of a guiding principle, and none is in sight. India's nuclear tests last month drive the point home.

The United States, to be sure, plays a leadership role in the endless succession of international crises, but this is chiefly because there is nobody else to do it. In any case, it is only a role, not true leadership.

A patchwork of improvisations, the Clinton administration's foreign policy is inconsistent from issue to issue and country to country. The result is that friends, foes and fence-sitters are often utterly confused by what the United States proposes and how it may respond to specific emergencies.

U.S. views and desires do not carry special weight anymore. Military clout alone is insufficient.

President Bill Clinton may be ill-served by his top advisers, or he may not listen to them, but the time has come for him to fix his foreign policy.

He should pick a principle and consistently apply it. Currently he preaches respect for human rights but ignores violations in countries that are major U.S. export markets, like China. He denounces nuclear proliferation but, as with India, fails to apply stern preemptive diplomacy. He opposes international arms sales but recently lifted the ban on exports of fighter-bombers to Chile.

It is a cliché that things were simpler and safer in the days of the Cold War. Today's world, by contrast, is a free-for-all environment, which multiplies the dangers for all.

Events in May illustrate the crisis facing the world.

**Making a World Unfit for Frogs?**

By Thomas L. Friedman

WASHINGTON — In Canterbury, England, in 1989, the world's leading experts on frogs and other amphibians gathered for their first world congress. In the lobby, in the bar and in chance encounters in the hall, the experts swapped frog stories.

At some point they realized that they were all seeing the same problem: Their frogs and toads were dying, not just in disturbed habitats but in the most pristine nature preserves, from brown toads in Yosemite National Park to golden toads in Costa Rica.

Today the case of the dying frogs is well documented, but still no one knows exactly why they are dying.

Conservationists are asking: Are the frogs the canaries in our coal mine? Miners used to take canaries underground with them; if the canary died, that would indicate the presence of deadly but odorless carbon monoxide and warn miners to flee. Are the frogs sounding such an alarm?

"Things go extinct all the time," said William Brown, science adviser to the secretary of the interior. "But when species like frogs and toads that have been with us since the Jurassic period suddenly start to disappear ... you have to take notice."

Is it something mankind is doing, and that will eventually threaten mankind? Is it the increase in ultraviolet light from holes in the ozone that is reducing the frogs' immunity to viruses, parasites and fungi? Is it chemicals and pesticides

in the atmosphere? Is it rising temperatures?

These questions were worrying enough for the National Science Foundation to bring together in Washington recently a group of top environmental scientists to swap research on what might be killing the frogs. Their emerging consensus: There is no single smoking gun, but rather the combination of all the "insults to the environment" during the last 50 years.

To follow up, Interior Secretary Bruce Babbitt, who attended the seminar, has initiated an interagency task force to monitor the frog decline.

Frogs and other amphibians have very permeable skin, which makes them very sensitive to changes in the environment, whether water or air.

"They are one of the first animals to disappear when there are threats to a habitat, because they are so sensitive to water and air degradation," said Roderic Mast, vice president of Conservation International.

"You have to assume that what impacts frogs will eventually impact everything else in the ecosystem. That makes it a biodiversity and a human health issue."

There is something humbling about the idea that at a time when everyone is talking about the year 2000 computer bug, Indian and Pakistani nuclear tests and the "information revolution," a group of animals that are so familiar to us all can start to die out without anyone knowing why.

Who knows what is happening to the millions of other species we have not identified?

Worse, this loss is happening just as life-science companies are making real breakthroughs in collecting plants and animals from diverse environments and screen them for useful genes that can be isolated from that plant or animal and then used for medical cures or to stimulate agriculture.

Genes from the rosy periwinkle, a flowering plant from Madagascar, are now used to treat childhood leukemia and Hodgkin's disease.

To the extent that we are losing biodiversity through extinctions, we are shrinking this natural storehouse of lifesaving genes.

"To prevent that, we conservationists create protected areas," said Mr. Mast. "And yet we have creatures like frogs going extinct in protected areas. So that is not enough. It calls into question what is enough."

It also calls into question the distinction too often made between home and away, between protected areas and non-protected areas. Home is where you keep clean, and away is where you pollute. Maybe the frogs from Canada and Costa Rica, Yosemite and Australia are telling us that this distinction isn't valid anymore.

Maybe they are telling us that away is home, and if you pollute one you pollute the other. Maybe they are warning us to do something about the silent species we are losing through development and deforestation.

The New York Times.

**IN OUR PAGES: 100, 75 AND 50 YEARS AGO****1898: U.S. Occupation**

PARIS — [The Herald says in an Editorial:] The Philippine insurgents are not a united and resolute body of men, who can be relied upon to fulfill their boast of driving out the Spaniards. Far from contributing to order, of which the American army of occupation must prove a harbinger, the rebels prove themselves one of the most difficult elements with which it will have to cope. There should be no blundering and delay in taking possession of the Philippines, and for this purpose an army of twenty-five thousand men is necessary.

**1923: Bound to Recall**

NEW YORK — A boon to the absent-minded individual who rambles home on the night of his wedding anniversary, or his wife's birthday, to find the spouse in tears, is at hand. An agency established here to meet

with just such domestic embarrassments has begun operations. The plan is simple. Simply list the date you want remembered, and the address of her to whom the gift shall go should you so desire, and the guarantee is made that you will not be allowed to forget.

**1948: Vatican Order**

ROME — The Vatican put an abrupt halt to activities of some Roman Catholics who have been working for the remission of Christianity. The Holy Office issued a formal "warning" ordering these Catholics to discontinue holding common worship services with non-Catholics and to stop taking part in public meetings where conflicting Christian religious views are exchanged with the aim of reaching a common accord among Christians. The Holy Office said that bishops must see to it that their flocks obey this order "to the letter."

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## HEALTH/SCIENCE

## A Simple Prescription Can Add Years to Life

By Jane E. Brody  
New York Times Service

**N**EW YORK — People with bad health habits that they will not or cannot abandon often make excuses: "What's the point of living longer — you'll only spend more years in a nursing home?" or "A healthy life really isn't any longer, it just seems that way."

Perhaps the saddest excuse of all dates from 1964 when the U.S. surgeon general issued the first report on smoking and health. Diehard smokers told me, "By the time I get lung cancer, they'll know how to cure it."

Thirty-four years later we are hardly closer to curing lung cancer than we were then. None of these excuses hold up under the scrutiny of sound medical research, and a new study of more than 1,700 men and women followed for 32 years puts the lie to them all.

The study, published in April in *The New England Journal of Medicine*, clearly showed that people with healthier habits not only live longer, they live better, experiencing only half as much chronic disability as their less prudent age mates.

The findings strongly suggest that vitality into one's later years is less a matter of genes and more a question of how a person chooses to live. Those who smoked the least, stayed trim and exercised regularly not only lived longer but were less likely to develop disabilities. Even among participants who died, the low-risk people had shorter periods of disability before dying.

In 1980, James Fries, professor of medicine at Stanford University, published a provocative article suggesting that preventive health practices would keep people healthier longer. According to his "compression of morbidity" hypothesis, most people, instead of experiencing a more-or-less steady rate of increasing disability and deaths starting

at mid-life, could live reasonably well into their 80s, before they begin to die at an accelerated rate. To put it another way, if people could be persuaded to choose more prudent health habits, the majority would reach their ninth decade in good health and then die after a relatively brief period of illness.

But some skeptics challenged Dr. Fries, suggesting instead that practicing good health habits, while likely to add years to life, would also swell the number of years during which people are beset by chronic illness and disability. If true, critics said, this would further overwhelm an already overburdened system struggling to care for millions of elderly Americans with costly, debilitating, lingering health problems.

Nearly two decades after Dr. Fries's proposal, he and his colleagues have data that dispute the naysayers. Their findings indicate that living healthfully would not only add years to life, but also keep people well and able to enjoy life far longer than they otherwise might have.

Although the participants' average age was only 75 at the last assessment, there was every indication that those with healthy habits will on average remain in better health however long they live. Those whose habits put them at lowest risk for health problems delayed the average age at which they developed even minimal disability by nearly seven years — to age 73 as against 66 for those at highest risk.

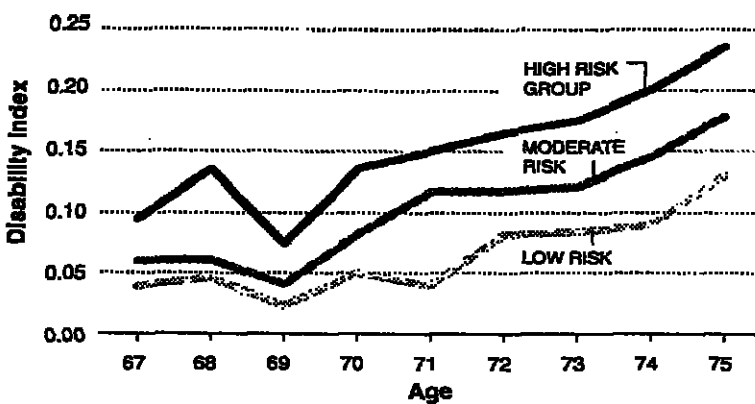
The researchers tracked 1,741 men and women who graduated from the University of Pennsylvania in 1939 and 1940. The alumni were surveyed by other researchers at the time of graduation and again in 1962, 1976 and 1980, before the Stanford team took over and reassessed their health habits and health status annually for seven years starting in 1986.

Participants were classified as being at high, moderate or low risk based on three modifiable factors known to con-

## Living Longer, Living Better

A study of University of Pennsylvania graduates, classes of 1939 and 1940, indicates that those who practice healthy habits stay free of disabilities longer. Class members were divided into low, moderate and high risk groups based on weight, exercise and use of tobacco.

Those groups then were rated on a disability index based on eight basic tasks: dressing and grooming, arising, eating, walking, bathing and other hygiene, reaching, gripping and executing basic chores. A score of 0.1 indicates some difficulty in performing one of the tasks. A score of 1.0 means some difficulty performing all eight tasks. And the maximum score of 3.0 indicates inability to perform all eight tasks.



Sources: Dr. Anthony Vita and Dr. Raymond Baltes

The New York Times

tribute to poor health: cigarette smoking, excess weight and inactivity. At every assessment — even when the participants were only about 43 years old — those at highest risk were more likely to report disabilities than those at moderate risk, who in turn had more disabilities than those at low risk.

**A**LTHOUGH tens of millions of adults have quit smoking in the last 34 years, we now face the chilling fact that as many as 40 percent of students in some high schools are smoking. Obesity, too, is a growing concern. Americans on the whole are fatter now than ever. People tend to blame the ready availability of high-calorie foods and the constant temptation to eat too much, especially too much fatty, sugary foods. Few seem to have the will to resist overindulging. But the food supply and eating habits

are not the only culprits. Inactivity has a major, deleterious influence on the weight of Americans. Having created a society replete with labor-saving devices, we failed to compensate adequately for our relative inactivity by building more exercise into our daily routines and leisure time.

Only about one American in five gets enough exercise to keep weight down and health up. And there is virtually no physical activity in the lives of 60 percent of Americans. But those who exercise regularly weigh less and are better able to achieve and maintain weight loss.

Other factors not assessed in the Fries study also influence health. But the people who stayed trim and exercised in all likelihood, regularly ate more healthfully as well. I think you get the point: At any stage of life, it pays to pay attention to preventive health practices.

## Taking Weapons Out of Atom Plants

## Can New Fuel Replace Uranium?

By Matthew L. Wald  
New York Times Service

**W**ASHINGTON — Now that India has shown the world that it could quietly purify enough plutonium for the five nuclear devices it detonated recently — and probably enough for many more — attention is turning to how to divorce nuclear weapons from nuclear power plants.

A small company based here says it has the answer: by substituting thorium for some of the uranium in fuel for power reactors.

The company, Radkowsky Thorium Power Corp., headed by a physicist who was formerly the chief scientist of the U.S. Naval Propulsion Program, says its fuel could be used in reactors in place of the ordinary uranium fuel, and would produce very little plutonium, a normal byproduct of the reaction when uranium is used. The company plans to test its fuel in 2002 in a Russian reactor that resembles the dominant U.S. design.

Proponents say it could also be offered to countries like North Korea and Cuba, which say they want reactors to generate electric power. But some fear they want reactors mostly to generate plutonium for weapons.

The thorium reactor could also be useful for burning up surplus weapons plutonium — the United States has at least 50 tons of it — without producing nearly as much new plutonium as existing reactors do. And the plutonium it does produce would be a mix of types that makes the weapon prone to "fizzle," or sustain a chain reaction for only a brief period, cutting its explosive yield by 95 to 97 percent.

"It's a lot better than what we've got," said Robert Williams, a physicist at the Princeton University Center for Energy and Environmental Studies. He pointed out, though, that even if production is cut by 80 percent, a large nuclear reactor would still produce enough plutonium each year for several bombs.

The U.S. Energy Department has contributed \$1.1 million to help with the development and Raytheon Engineers & Constructors, which hopes to win engineering work if the system is used, paid \$500,000. Alvin Radkowsky, who was the chief scientist of the Naval Propulsion Program from 1948 to 1972, designed the fuel. But some people

question whether his fuel can compete with existing ones, because the operating characteristics of the existing fuels are so well known.

Developers refer to Mr. Radkowsky's system as a reactor, but it is essentially a new core, replacing the fuel in an existing reactor. Its benefit is to change a characteristic of nuclear reactors that was long considered a virtue but is now a problem: that as they consume the kind of uranium that can be readily split, they make a new kind of atom that can also be split easily, plutonium.

The fuel for nearly all reactors today is uranium-235, which is called "fissile," because it can be fissioned, or split. It is mixed with uranium-238, which is very hard to split.

When the uranium-235 is split, it gives off neutrons that go on to fission other atoms, sustaining a chain reaction. But often a neutron hits an atom of uranium-238, a material that is called "fertile," because instead of being split by the neutron, it absorbs the neutron and changes into a new material, in this case, plutonium-239.

Plutonium is fairly easy to chemically separate from the rest of the fuel when the fuel bundle is removed from the reactor. The Radkowsky fuel avoids plutonium production by minimizing the use of fertile uranium. Instead it uses thorium, a material that was tried with uranium in the first civilian reactors in the 1950s and '60s but later dropped in favor of straight uranium fuel. Thorium, cheap and plentiful, cannot be fissioned to produce energy, but it is also fertile, and as it absorbs stray neutrons it is converted to something fissile, in this case, uranium-233.

But uranium-233 is hard to separate from other uranium in the core, and thus is hard to purify for bombs. Thomas Graham, a former negotiator for the U.S. Arms Control and Disarmament Agency who is now president of the Lawyers' Alliance for World Security and a member of the Radkowsky company's board of directors, said that what India had done in the last few years would have been nearly impossible if that country's reactors had used Radkowsky fuel.

Pakistan could still have developed its bombs, however, because its weapons used enriched uranium, not plutonium. That route to a bomb is much more expensive and difficult, though, he said.

## Hyperactivity Drugs Given to the Very Young

By Susan Okie  
Washington Post Service

**W**ASHINGTON — Some American children as young as a year old are being diagnosed with attention-deficit/hyperactivity disorder and doctors are treating supposedly hyperactive toddlers with a variety of drugs, including Ritalin, clonidine and Prozac, a researcher at Michigan State University has determined.

Attention-deficit/hyperactivity disorder affects about 5 percent of school-age children, but experts said there are no accepted guidelines for diagnosing the disorder in children younger than about 4 years old, and no data exist on the safety or effectiveness of drugs for that age group. The Michigan findings, they said, are cause for concern.

"We didn't realize that these medications are used in very young children," said Marsha Rappley, an associate professor of pediatrics at Michigan State University's College of Human Medicine who reported the findings at a medical conference last month. "There really have not been studies of this disorder in children this young."

There are no national figures on how often the disorder is diagnosed in children under 5, but it appears that doctors are increasingly using drugs to treat it in very young children. A new study in another large midwestern state found a

180 percent increase between 1991 and 1995 in the number of prescriptions of stimulant drugs (such as Ritalin) for children 5 years old or younger, said Julie Magno Zito, an associate professor of pharmacy and medicine at the University of Maryland. Dr. Zito is to report the findings this month at a meeting sponsored by the National Institute of Mental Health.

Mothers of children with the disorder often say their children seemed hyperactive from birth. But part of the difficulty of identifying it in very young children is that high energy levels, defiance and impulsive behavior are usually normal in preschoolers. "If you ask most parents with a toddler, 'Is your toddler too active?' they'll say yes," said Robert King, an associate professor of child psychiatry at the Yale Child Study Center.

Dr. Rappley said she decided to find out how frequently the disorder was being diagnosed in children 3 or younger because she had heard anecdotes about Ritalin and other drugs being used in very young children.

She reviewed claims data for all Michigan children who were continuously enrolled in the federal Medicaid program (which provides health insurance for low-income children) from October 1995 through December 1996, seeking those with a diagnosis of the disorder who were 3 years old or younger at the first date of service. (About

229,000 Michigan children under age 6 received services through Medicaid in 1997; the number of children 0 to 3 could not be ascertained.)

She identified 223 children — 178 boys and 45 girls. Other problems often listed in their records included language disorders, learning difficulties and family disruption. A total of 127 had been treated with drugs, most often Ritalin, clonidine or dextroamphetamine — three medications often used to treat older children with the attention disorder. But doctors had prescribed a total of 22 different drugs to children in the group, in as many as 30 different combinations.

She reported her findings, which have not yet been published, at the annual meeting of the Pediatric Academic Societies in New Orleans.

Dr. Rappley also found that 38.5 percent of the children had been treated for accidental injuries or poisonings, overdoses or maltreatment. Seven children had been diagnosed as abused. She said a significant number had medical problems such as lead poisoning, birth defects or hormonal disorders.

"Clearly they are a very high-risk group of children," Dr. Rappley said. But without further details on each case, she said, it is impossible to say what was causing their behavior problems or whether they were treated appropriately.

She said it was also unclear whether

the high rate of injuries was a consequence of the children's behavior or a reflection of abuse or neglect.

"We have to worry about that," she said, "because we know that when very young children have very high activity levels and are very hard to take care of, they are at risk for more punitive kinds of discipline."

## LANGUAGE

## Hopping With the Euro Into the Y2K

By William Safire

**W**ASHINGTON — No matter what the bankers tell you at the Frankfurt headquarters of the European Monetary Union, the euro is already in circulation.

Aboriginal Australians have long been familiar with the Western rock kangaroo, which they call the *uroo*, *waroo* or *yuro*. English-speaking residents of the continent spell it *uroo*: "Wallaby, euro and dingo tracks," wrote L.L. Khrush in a 1933 novel, "showed how popular this cool rock-hole was."

Those creatures will have to share their name with the European supercurrency in a few years. Residents of 11 countries will soon be disdaining francs, marks, guilders, escudos and pesetas, instead insisting their common currency is as "sound as a euro."

The Germans wanted to call it the *euromark*. The mark was the name of a German, English and Scottish weight traceable to the year 886; in 1946, the *Deutsche mark* replaced the *Reichsmark* and became the symbol of German financial stability. But the French preferred the *ecu*, acronym for the European Currency Unit (and an old silver French coin, similar to the English crown).

The *monnet* had its moment, honoring Jean Monnet, the European unionist, but that suggestion sounded too much like the English *money*, and the Brits were not even embracing the new currency.

"The Germans insist on *euro*," wrote Nathaniel C. Nash of *The New York Times* from Brussels in November 1995, a name their finance minister,

Theo Waigel, "floated in September when the finance ministers last met." And so the coinage was coined.

When a batter fans, baseball scorers put down the symbol *K*, probably from the distinctive letter in *strike*.

Creators of GOP bumper stickers in 1992 sought to encapsulate three issues against the Democrats: Korea (an un-ended war), Communism (soft on) and Corruption (the "mess in Washington"). They came up with *K/C2*.

In the years since, *K* — from *kilo*, Greek for *chillioi*, "thousand," or 10 to the third power — has most often come to mean *kilobyte*, strings of binary digits expressed by 2 to the 10th power, or 1,024. My son the E-commerce enthusiast says that if my computer doesn't boast a memory of 48 megabytes — that's 49,152 kilobytes — I should forget about it.

O.K. (coined in 1839): here comes Y2K (coined in 1995).

"I plead guilty to journalistic incompetence," writes the unduly self-flagellating financial columnist Robert Samuelson. "For ignoring what may be one of the decade's big stories: the Year 2000 problem. Among technical types it is shortened to the Y2K problem."

As we content providers are aware, the world as we know it is coming to an end at midnight on Dec. 31, 1999. At that moment computers that have not been properly reprogrammed assume with perfect binary logic that the Gay Nineties are over and that we're going into the year 1900 and that Diamond Jim Brady is canceling our credit cards.

What a moment!

This column understands its scope: At the moment of earthly doom, for

example, its subject will be the origin of *doomsday* and the pronunciation of *Armageddon*. Therefore, I will leave the nerdy technical reasons for the breakdown of expiration dates to chat-room eschatologists. (It has to do with space-hungry programmers in the 1960s leaving the first two digits off the year, so that 1965 was written as 65, and now the computer can't find the 19 to turn it to 20.) We deal here only with the linguistic roots of Y2K.

On Feb. 26, 1995, James Coates wrote in *The Chicago Tribune* about what was being called the *Year 2000 Holocaust* and the *millennium bug*: "Once the code that was compiled with the *millennium bug* written into it is decompiled, it must be fixed to allow four digits rather than two in what is called the date field."

On Feb. 28, 1996, a Y2K bulletin board appeared on the Internet. Its existence was noted in the world of Old Establishment Media by *The Wall Street Journal* on July 26, 1996. Peter de Jager, co-author with Richard Burgeon of "Managing 00," helped popularize the term among the netties, as did Dan Rather of the broadcast network netties. They accepted the old-fashioned symbol of *K* as *kilo*, 1,000, not as 2 to the 10th power, or 1,024.

If you don't cotton to Y2K, and don't have the space for the year 2000, there's always the Roman numeral *M*. A candy company that produces M&M's (named after Forrest Mars and Bruce Murrie) has seized on this idea to appoint itself "the official candy of the New Millennium." If you don't want your fingers sticky with chocolate as the electronic balloon falls, grab a handful of those millennium bugs.

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## INTERNATIONAL

## In Albania, 'Invisible' Guerrillas

Government Closes Its Eyes as Kosovo Gunmen Rest and Rearm

By Christine Spolar  
Washington Post Service

TROPOJE, Albania — There are signs that Albania is looking the other way as ethnic Albanians from neighboring Kosovo rest here and prepare for a deadly battle back in the province with Serbian forces.

For two months, ethnic Albanians in Kosovo have battled the Serbian-led Yugoslav military, directed by President Slobodan Milosevic, who is trying to liquidate a guerrilla movement seeking independence for the province.

Last week at least 10,000 refugees poured into Albania as the Serbian forces attacked villages near the border. Some sources put the number of refugees at 20,000.

Members of the Albanian Parliament are urging support of Kosovo, which is part of Serbia but has an overwhelming majority of ethnic Albanians.

A former Albanian president, Sali Berisha, whose childhood home is near Tropoje and who is considered a hero in these parts, supports the spirit of the Kosovo independence movement. He called Serbian forces in Kosovo "barbarians" and said the rebels were "blessed."

No one has touched the delicate subject of just what is going on in this border town and its rural surroundings.

At Mr. Berisha's childhood home southeast of here, brawny, sunburned young men wearing green military web belts over T-shirts can be seen milling around the leafy premises of the white brick complex where some of Mr. Berisha's relatives still live.

One wears the red-eagle patch of the Kosovo Liberation Army. Some have pistols and automatic weapons.

As they were loudly turning away a carload of journalists on a recent afternoon, one nodded to the hill below and quietly told the others, "The truck has arrived."

In the past two months, the Albanian government has been notably restrained in its vigilance along the border. Its army presence, which melted away in the face of civil disorder last year, has been negligible since the Serbian assault in Kosovo intensified May 22.

Few soldiers and little equipment can

be seen near the border. Soldiers are spotted mostly in town.

Border police acknowledge they have little control over the goat paths that traverse the rocky mountains dividing Yugoslavia and Albania. International monitors have reported in the past month that Albanian guards lack basic equipment such as shoes, radios and vehicles.

A border guard who recently spotted an apparent smuggler had to walk two hours to report the incident, monitors from the Organization for Security and

**Weapons are widely available in Albania from the time of civil disorder, and many are being sold openly and smuggled across the border for expected battles.**

Cooperation in Europe said. When he arrived at the reporting station, his shoes had fallen apart, they said.

A border inspector shrugged when asked about the apparent arms traffic by horse, donkey and mule over the mountains. "The Albanian government can't do anything about the guns," the inspector said. "The guns are out there."

At the guard post near a border crossing used by refugees from Kosovo, Albanian guards laugh at their own equipment and their inability to know all that goes on around them.

"It's from the Stone Age," said one, describing his 20-year-old military radio.

The difference between the army's supplies and the equipment that is likely passing from Albania to Kosovo is striking.

An arms trade has clearly sprouted in this town. Weapons and gear are displayed by the roadside. Men and even boys no older than 14, walk around freely with new weapons.

Prices in the markets have jumped since the first assault on villages in Kosovo, but there appears to be plenty of money in this dirt-poor country to pay the costs of war.

A Detroit man, Muharrem Gocaj, who is in Albania looking for relatives forced to flee Kosovo by the Serbian attacks, says he believes his donations to the Kosovo rebel movement go to buy arms.

Mr. Gocaj, 64, estimates that he con-

tributes between \$1,000 and \$5,000 to the ethnic Albanians every two weeks or so. "Every time they ask for money, I give," he said. "Everybody I know says they're giving money."

Automatic rifles in a country that was awash a year ago with weapons during civil unrest used to cost \$100 each. This week, men in Tropoje said they were paying \$350 for one. Camouflage uniforms can be had for \$30.

Men in the town square are tense. Some Albanian officials — notably in the Defense Ministry — have dismissed the idea that weapons are being smuggled into Kosovo.

Other Albanian officials have quietly suggested that the trade is fueled by poverty — this country is one of Europe's poorest — and by "people who don't have an allegiance to any flag."

"Those who became rich from the war in Bosnia are looking for another way to make money," a government official said. "We can't control all who come through here."

## ■ Rebels Seeking Volunteers

The Kosovo Liberation Army appealed Sunday for all able-bodied ethnic Albanian men to join the battle for independence, Reuters reported from Pristina, the Kosovo capital.

"The KLA calls on all men from 18 to 55 years to join in the struggle for the liberation of the country," it said in a statement published in the newspaper Koha Ditore.

The group urged men who have fled with their families to neighboring Albania to return to Kosovo to fight.

Ethnic Albanians make up about 90 percent of the Serbian province's 1.8 million people. More than 250 people are known to have been killed since February in the Serbian crackdown.

The last week of violence in western Kosovo has left scores, perhaps hundreds, of people dead and their villages razed after Serbian security troops began an operation to reopen roads controlled by the rebels.

The clashes have unleashed a tide of refugees, who cross the mountains into Albania with harrowing accounts of shelling, air attacks and massacres. None of the reports could be confirmed because the battle zone is sealed off by both the Serbs and the insurgents.



Women from an ethnic Albanian family from Kosovo found shelter in the village of Tropoje, north of Tirana, when they struggled with thousands of others over the mountains, evading Serbian troops and police units.

## OBSERVERS: Milosevic Agrees to Allow Diplomats Into Kosovo

Continued from Page 1

Milosevic, according to senior American officials.

At least 250 people have been killed, at least 10,000 refugees have fled into Albania and 50,000 people have been displaced from their homes, the British foreign secretary, Robin Cook, estimated in London on Sunday.

The West has done little other than plan new meetings.

"President Milosevic over the past week has crossed the threshold," said Mr. Cook, whose government holds the rotating presidency of the European Union.

"The use of tanks, of artillery, of the might of the military army against civilian centers of population is wholly unacceptable within the modern Europe."

Mr. Cook and the British prime minister, Tony Blair, have decided to press

the issue hard, a senior British official said, to push Washington and the West "to a much tougher policy, both politically and militarily."

Mr. Blair told his cabinet on Thursday that the use of force might be necessary to get Mr. Milosevic to respond.

The British are already circulating a draft Security Council resolution at the United Nations that would authorize NATO to use force "in or over Kosovo," the official said, a move designed in part to rattle Mr. Milosevic and to press Russia to act more aggressively against its traditional allies, the Serbs.

"I hope the British are prepared to be out there themselves," said a senior American official. "I have the feeling they want to be sure that we're out there."

On Monday, the British will host a European Union foreign ministers meeting to press for the imposition of economic sanctions — an investment ban,

as well as the more symbolic freezing of Serbian assets abroad — that were suspended at Washington's request when Mr. Milosevic agreed to open talks with Mr. Rugova.

The move to impose sanctions is the reversal of an American initiative taken last month by Robert Gelbard, the American special representative for the former Yugoslavia, and Richard Holbrooke, architect of the Dayton accords that ended the war in Bosnia, who had been asked to help break the logjam over Kosovo.

The Americans had pushed European allies to suspend sanctions against Mr. Milosevic, who agreed to meet with Albanian separatists but then unleashed the largest assault since the Bosnian war.

The Europeans complained that President Milosevic had manipulated the Americans, promising to open a dialogue but not promising it would lead to results.

## TABOO: Sex Is Talk of America's Towns

Continued from Page 1

Once upon a time, it was bad form in certain circles to speak of a "breast" of chicken. For many years, the word "pregnant" was not uttered on television. Married couples in sitcoms occupied twin beds and television comedy writers were prohibited from using the word "penis" on the air.

All that has changed, and not just in the last six months. Some trace the more explicit conversations about sex back to 1948, when Alfred Kinsey's book "Sexual Behavior in the Human Male" inspired a national discussion of sex.

## CANCER: Learning in China

Continued from Page 1

Since the 1980s, the National Science Foundation has funded more than 500 projects dealing with basic science in China, backing everything from geology to physics. Last year, the National Institutes of Health supported more than 80 projects in China, continuing a 10-year trend. The National Science Foundation also funds a center in China for tropical medical research, the Shanghai Institute of Parasitic Diseases.

"The Americans have a long-term approach," said Dong Zhiwei, director of the Cancer Institute and Hospital at the Chinese Academy of Medical Sciences in Beijing. "Most of them are not here to grab a few samples, write a paper and leave. They are looking deeply for solutions."

Most major medical, engineering and computer science departments at U.S. universities have at least one research project in China. Most major American pharmaceutical companies have deals there as well. Some are using China as a giant laboratory for clinical trials or to search for disease-related genes. Others are seeking access to China's wide knowledge of medicinal herbs.

American officials say President Bill Clinton will emphasize health during his summit talks in China later this month. He will have many topics from which to choose.

American doctors and scientists are studying breast cancer in a Shanghai textile factory and lung cancer in a tin mine in Yunnan Province. They are crawling through cave homes in the arid west to determine radon levels and working on a genetically engineered vaccine for a parasite that affects 150 million people in China.

They are taking sperm from chemical industry workers in Wuzhan in a fight against liver cancer. They are looking into the genetic basis of asthma in Anhui Province and probing the relationship between diet and longevity in a nationwide study using an enormous base of 500,000 subjects.

"They've got parasites, they've got malaria," said Roy Schwarz, head of the New York-based China Medical Board, which supports medical research in China. "They have some of the highest incidences of certain cancers. They have 56 identified minority groups, so they are a genetic gold mine. They are worried about AIDS. They have hepatitis A, B, C, D and E. They are a researcher's dream, a living laboratory."

Then came Masters and Johnson. Shere Hite, cohabitation, gay rights and eventually AIDS.

"So we've had this dialogue for a long time," said Pepper Schwartz, a sociologist at the University of Washington. "What has happened now is that barriers of discussion have been broken in terms of actual acts being done by specific people."

One big reason for that has been the attention lavished by the news media on issues like Jennifer Flowers' account of what she said was a 12-year affair with President Bill Clinton along with Paula Corbin Jones' graphic allegation that the president had propositioned her in a hotel room in Little Rock, Arkansas.

There are many other examples: the coverage of the relationship of Senator Gary Hart of Colorado and Donna Rice; the arrest of Paul Reubens, the actor who played Pee Wee Herman, on charges of indecent exposure; the case of Lorena Bobbitt, who cut off her husband's penis, and the trial of Marvin Albert, the sportscaster, on sexual assault charges.

"The opening wedge really was the Bobbitt thing," said Robin Lakoff, a professor of linguistics at the University of California at Berkeley. "That was when people could first say 'penis.' I remember a month there when you could not turn on the television but some news show was saying 'penis' at you."

Then in January, the charges that Mr. Clinton had an affair with a White House intern, Ms. Lewinsky, catapulted oral sex onto the front page, trailing behind it unsubstantiated rumors of such things as a semen-stained dress and rumpled tissues retrieved from the trash. Two months later, the Food and Drug Administration's approval of Viagra put impotence at the top of the news.

Suddenly, men were all over television, testifying about erectile dysfunction. Bob Dole, the former senator, volunteered on CNN's "Larry King Live" that he had used Viagra.

Letitia Baldridge, an authority on manners, tosses a Viagra joke into lectures. Robert Knight, the director of cultural studies for the conservative Family Research Council, recalls parents chatting about Mr. Albert's sexual proclivities on the sidelines of a Little League baseball game in suburban Virginia.

Debra Haffner, president of the Sexuality Information and Education Council of the United States, also volunteers as a Sunday school teacher in Westport, Connecticut, and recently found herself faced with an eighth-grade class's questions about why Ms. Lewinsky might have saved a semen-stained dress.

Dr. Tom Lee, the medical director for Partners Community Health Care, a network of doctors and hospitals in Boston, recalls the discussion that ensued at a meeting at his office when it was announced that one health insurance company would cover the cost of 12 Viagra pills a month.

First there was dead silence. Then a senior executive in her 40s said, "That seems like a lot." Everyone burst out laughing, Dr. Lee said. "Maybe for you!" someone called out.

One colleague told Dr. Lee that she did not believe the estimates of the average number of times couples have intercourse in a month.

"Just to have these conversations is shocking," Dr. Lee said. "People are making references to each other's sexual function that are unprecedented."

## ERITREA: Foreigners Flee

Continued from Page 1

but in practice, if someone wants to leave we'll try to help."

## ■ 3d Party Ruling Sought

Karl Vick of The Washington Post reported from Addis Ababa:

The Ethiopian prime minister, Meles Zenawi, said in an interview that "all-out war" could still be averted if Eritrea agreed to a peace plan allowing a third party to rule on a barren 400-square-kilometer territory that each country claims as its own.

"Do you accept it or reject it?" Mr. Meles said of the plan brokered over the past month by American and Rwandan diplomats. "We said yes. No if, no but."

"Immediately the cloud of war will be removed" if Eritrea also said yes, Mr. Meles said.

Ethiopians were outraged by an Eritrean air strike Friday that hit an elementary school in Mekele. At least 10 children were among the 44 people reported killed. Another Ethiopian official said the casualty rate was high because a plane returned to bomb the crowd that had rushed to aid people injured by a bomb dropped on the first pass.

"I am 100 percent certain," said Yemane Kidanemariam, a senior official in the Ethiopian Ministry of Foreign Affairs. "They are trying to terrorize the civilian population."

In Eritrea, President Issaias Afewerki struck a pessimistic note but also left the door ajar to diplomacy. "We are committed to a peaceful solution," he said. "At the moment I don't see the light at the end of the tunnel."

## TRAIN: 26 Dead in Pakistan

Continued from Page 1

time bomb" blew up the train. "Our worst enemy is India," Mr. Afzal said, "which carries out such terrorist attacks through its intelligence agency."

India's Foreign Ministry, in reply, said the allegations were "baseless and false."

India and Pakistan routinely exchange accusations after apparent terrorist actions, but they rarely provide evidence to support their claims. Both countries also have internal ethnic and religious conflicts that often lead to killings, bombings and riots.

In an interview with the BBC, Mr. Hussain, the Pakistani information minister, said India was trying to "destabilize Pakistan through acts of terrorism." Linking the attack Sunday to the heightened nuclear tensions in the region, Mr. Hussain said India "wants to divert attention from its own domestic frustrations because its nuclear explosion backfired."

Tense relations between the neighbors have been strained by India's nuclear tests last month, which Pakistan said spurred it to conduct its own tests, incurring world condemnation and international sanctions. (AP, Reuters, AFP)

## CHINA: Consumer Advocate Finds Fame in Ferreting Out Fakes

Continued from Page 1

today's China, where shopping is a national pastime and producing counterfeit goods is a big business; surveys invariably list fake goods as the country's top consumer gripe. But Mr. Wang said China's fast-changing political atmosphere was also behind his success.

"To me, this work is about protecting individual rights, and I think people are responding to that," he said on a recent shopping trip in Beijing. "In the past, our planned economy emphasized a person's contribution to society, not fighting for his interests. That's changing now."

A serious, slightly stout man who speaks as if he is perpetually undercover, Mr. Wang is not at first glance the stuff of which myths are made. But his cunning modus operandi has earned him the gratitude of the Chinese public, who tend to view him as a sort of David for the people against the store owners' Goliath.

It has also made him a good living. In 1994, China approved a consumer-protection law stating that if a store sells a counterfeit product, the customer can return it for double the purchase price. So since 1994, Mr. Wang has been scouring stores for counterfeit goods, buying in bulk and demanding double refunds.

Based on this simple — and profitable — technique, his operation has grown from a one-man show to a company with 10 employees, including a lawyer to sue any stores that balk at refunds.

His Beijing Dahai Commercial Consulting Co. also has a nationwide network of 200 informers who call to report suspected fakes, and a widely publicized hot line where balked consumers can call for help. Informers are paid for each tip, and the company takes a part of any refund it obtains.

Mr. Wang says that fake compact disks and medicines are a particular problem these days. Pirated CDs account for 90 percent of the Chinese market, he says.

Mr. Wang says he is not against the legion of street hawkers who sell obviously counterfeit goods — like pirated videocassettes of the film "Titanic" — for a tiny fraction of the name-brand price. What irks him are stores' attempts to pass off fake goods as real, so customers do not get their money's worth.

"People are being cheated," he said. "These products aren't as good."

The company's splashiest success to date was the exposure last year of 200 stores selling counterfeit mobile phones and licenses. The phones, which cost about \$1,000 each, are a mainstay of China's emerging business class.

More recently, Mr. Wang got a tip that state-owned drugstores were selling an antibiotic tablet that carried the Chinese logo of Pharmacia & Upjohn Inc., the Swedish-based drug company whose Chinese headquarters is in Shanghai. Mr. Wang discovered that the company did not make this antibiotic in pill form in China, only for injections.

So Mr. Wang went out and bought thousands of pills from a variety of pharmacies — \$12,500 worth of medicine. He has since demanded double compensation from the stores, and one has already reimbursed him \$2,500. His investigators even found the factory where the fake medicine was being produced, although it had already stopped making the drug.

"Since I started buying it, most of the medicine has disappeared from the market," he said. "But there will always be something else."

Mr. Wang concedes that this business was not born of noble goals.

Raised in the seaport of Qingdao, Mr. Wang moved to Beijing, after dropping out of school at age 16, to work as a representative for his father's picture-frame factory and later as the Beijing representative for a Shanghai light-fixture factory.

But in 1993 he invested all his family's savings in an ill-fated restaurant — ultimately losing \$25,000. Disgraced and embarrassed, he was desperate to find a new income stream.

He found it one afternoon while shopping for headphones with his cousin.

Mr. Wang said he was immediately suspicious of the "Sony" headphones his cousin had selected. The edges of the headphones were "too rough," he said, and the packaging was "too ugly." Mr. Wang bought two pairs, and spent the next weeks carrying them to various government agencies for examination. Ultimately, the Technology Inspection Bureau confirmed his hunch.

So Mr. Wang went back and bought 10 more headsets, and immediately set about demanding compensation. Ten months later he had a double refund and a new career.

"The first reason I did this was that I was skeptical that this new law would be carried out," he said. "The second was for financial gain." But since then his sense of mission has evolved. "I like the

idea of doing something to help society," he said.

Mr. Wang's detractors say his work is all about making money for himself.

According to prevailing myth, he owns a big house and drives a Mercedes. In fact, Mr. Wang says, he lives in a rented apartment in Beijing and does not own a car.

"This is not a very good way to make money," he said, "but it's interesting and important work."

Not surprisingly, Mr. Wang has become the darling of name-brand manufacturers, who pay his company to ferret out counterfeiters bearing their tags. But he is the nemesis of counterfeiters and store managers, who have threatened him with physical violence; they keep his picture posted in their offices and refuse to sell to him.

On a recent afternoon, a legion of blue-suited salespeople in the stylish SciTech Department Store looked on nervously as Mr. Wang scoured shelves of compact discs. Was it Wang Hai, this ever so strange shopper, who was too intently tugging on battery plugs and peeling up the label edges on CDs to see if the underside was the proper shade?

Fifteen minutes later he had found a few fakes, but said the store was too empty for him to pull off inconspicuously the little round silver labels from the CD packages, which would yield the ultimate proof.

"I don't want to attract too much attention," he said. "This work can be a bit dangerous."

## RUSSIA: New Capitalism Short on Capital

Continued from Page 1

the tax service, replacing him with Boris Fyodorov, an economic reformer and a former acting finance minister who has promised a broad assault on deadbeats.

Separately, a new tax code with lower rates has been drafted, but remains mired in the State Duma, the lower house of Parliament, which is controlled by Communists and nationalists.

Also being watched closely is the government's growing cost of servicing its short-term debt. Over the last two years, Russia has borrowed more and more to cover the budget deficit through high-yielding, short-term bonds known as GKOs. The borrowing has created a snowballing effect — interest on the bonds eats up more and more of the federal budget, which creates a bigger deficit, and a need for more borrowing at higher interest rates.

Mr. Breach said that last year, Russia spent 25 percent of its federal budget on interest payments. For the first four months of this year, that share climbed to 32 percent.

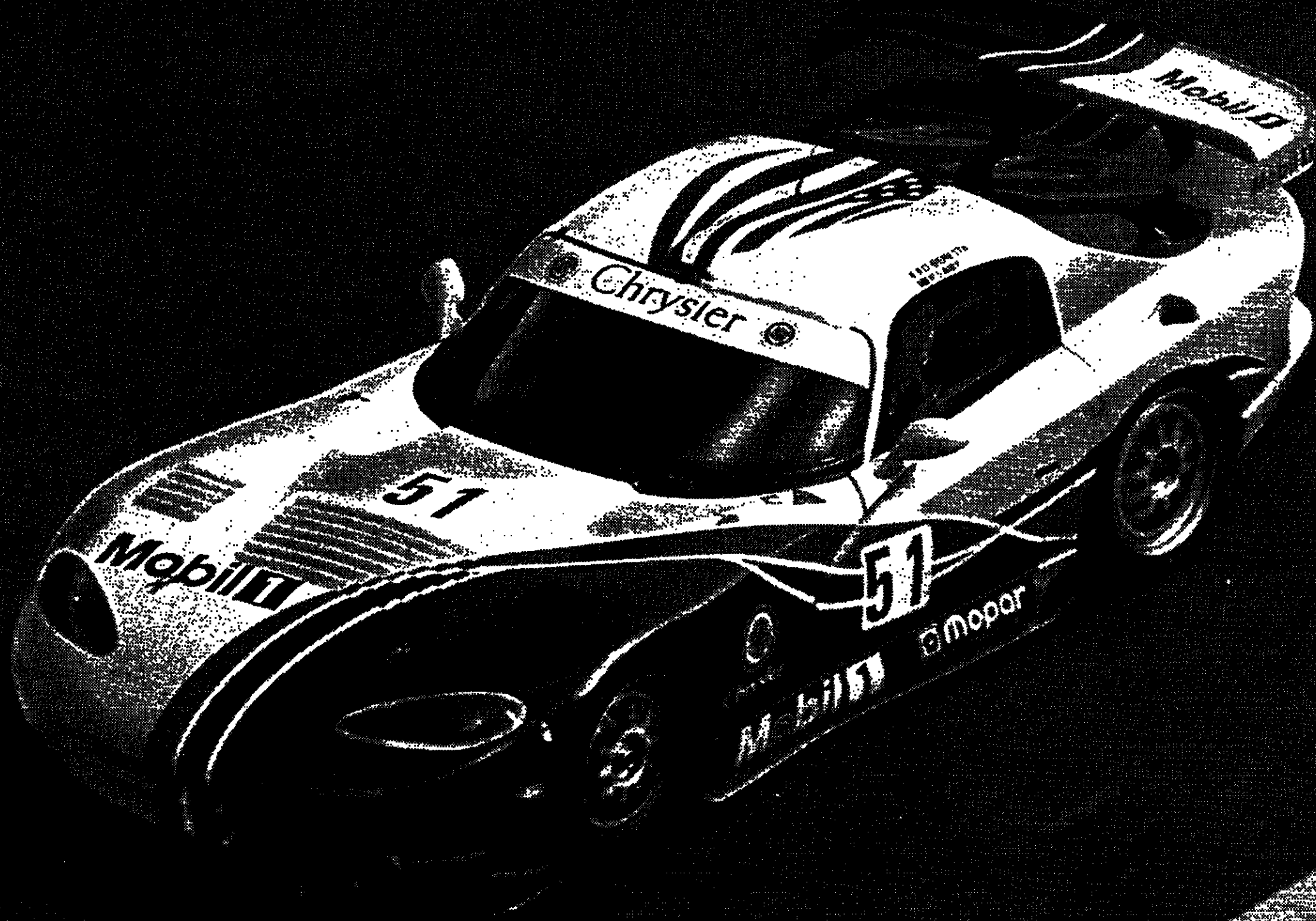
As interest rates crept up in recent weeks, investors grew jittery about whether Russia could continue servicing its debt. Mr. Yeltsin announced further budget cuts, but the measures were not convincing.

Even supporters say the new government led by Prime Minister Sergei Kiriyenko, while committed to economic reform, has been slow to react. Striking coal miners paralyzed rail transport, Parliament approved a bill limiting foreign investment in the electricity monopoly and then one government bureaucrat suggested that perhaps Russia should stop paying interest on its debt — all of which frightened investors.

At the center of attention is the black hole of Russia's budget. Tax collection has slumped. President Boris Yeltsin appointed a special commission to use police tactics in forcing laggard companies to pay up, but it did not work. Last week, Mr. Yeltsin dumped the head of



# LE MANS 24 OURS.





Figures as of close  
of trading Friday, June 05

[illegible]

This table shows the performance of Standard & Poor's funds from Friday and includes the top 4,000 funds in terms of assets. There are roughly 6,000 funds currently listed on Nasdaq.

Group returns are shown in bold face, with individual fund returns in each group indented below. Funds that are not part of a group are not indented.

NAV is the net asset value, i.e. the portfolio value divided by the number of shares outstanding. The fund's 12-month return is the percentage change in NAV reported by the fund (not necessarily the actual annual sales or redemption charges. Changes shown the variance from the previous Friday).

Notes: Field footnotes: a = available only through a contractual plan; b = no trust and loan or convertible preferred stock; c = partial assets are covered by a distribution claim; d = not covered by a distribution claim; e = not covered by a distribution claim; f = not covered by a distribution claim; g = not covered by a distribution claim.

Prices field footnotes: a = capital gains distribution; b = previous day's operations; c = stock dividend or split.

Plan aims to A

**CURRENCY RATE**



# Secretive Club Ponders Taking It to the Street

## Going Public Would Enrich Goldman Partners

By Clay Chandler  
Washington Post Service

WASHINGTON — This Friday, at an undisclosed location "somewhere in the Northeast," more than a hundred of the most talented financiers on the planet will gather to consider a proposition that could make each of them very, very rich.

The secret conclave is the annual meeting of the 190 men and women who hold partnerships in Goldman, Sachs & Co., the largest privately held investment bank on Wall Street and one of the most profitable enterprises in the world.

At the top of this year's agenda is a proposal to open this most private and secretive partnership to public investors. The plan would transform one of Wall Street's most distinguished firms — which has survived as a glorious anachronism among the financial world's publicly held behemoths — and it could heap vast wealth on even junior partners.

With 35 offices in 18 countries, Goldman Sachs has total capital of \$6.3 billion. Investment analysts estimate that, in today's bull market, the partners' equity could fetch as much as \$30 billion if shares were offered to the public. At that price the average partner's stake could be worth close to \$100 million, after subtracting for commitments to nonvoting partners and other Goldman employees. Experts warn, however, that Goldman is likely to offer only a fraction of the firm to the public — but even if it is just 15 percent, that could be an average of \$15 million each, with senior partners pocketing far more.

From its founding in 1869, Goldman has been a tight club of partners who worked hard, kept the firm's business to themselves and earned fantastic profits. Indeed, for its first five decades, all partners in the firm belonged to the families of the two founders.

Partners who champion a public sale argue that taking such a step now is imperative if Goldman hopes to compete with such deep-pocketed rivals as Morgan Stanley & Co., which merged last year with Dean Witter & Co., and Salomon Brothers Inc., which was acquired last year by Travelers Group Inc. and will soon combine with Citicorp.

With the Dow soaring, the U.S. economy strong and its own profitability at record levels, Goldman "should strike while the iron is hot," said Richard Jenrette, former president of Donaldson, Lufkin & Jenrette Securities Corp., which went public in 1970. "They can't afford to waste another minute."

But many partners fear that selling shares to the public would destroy the

ethos of loyalty and collective discipline that has long distinguished Goldman from other investment banks.

If partners vote to sell, "what's to make Goldman Sachs different than any other publicly traded securities company?" said a former partner who retains a nonvoting equity stake in the firm. "A lot of us think there's a big danger here that you could kill a goose that, over the years, has laid an awful lot of golden eggs."

"This isn't about strategy or competitive pressures," fumed another Goldman skeptic. "It's about a hot market and a bunch of guys who want to get paid."

Strict limits on equity ownership have been a hallmark of the firm since it was established 129 years ago. The men who gave the firm its now-famous name were Marcus Goldman, a Bavarian schoolteacher who immigrated to the United States in 1848 and worked his way from peddler to shopkeeper before turning to finance, and Samuel Sachs, another German immigrant who teamed up with Goldman in 1882 after marrying one of his daughters.

Goldman did not begin to broaden its recruiting practices until after the great stock market crash of 1929, when staggering losses forced the founding families to turn to one the firm's first outside



Marcus Goldman, the founder of the firm, center. From left, clockwise: Sidney Weinberg, Gustave Levy, Robert Rubin and Jon Corzine.

See GOLDMAN, Page 15

# Generale de Banque Backs Bid by Fortis

## ABN-AMRO Drops Out Over 'Poison Pill'

By Barry James  
International Herald Tribune

Faced with the ignominy of selling the nation's largest and oldest financial institution to the Dutch, the directors of Belgium's Generale de Banque SA decided after a reportedly bitter boardroom battle to become only half Dutch.

The board of directors, in a marathon 15-hour meeting that ended Saturday, backed a buyout bid from the Belgian-Dutch insurance financial services group, Fortis, and proffered a "poison pill" to fend off a rival offer from ABN-AMRO Holding NV of the Netherlands.

AMRO, which had sought the deal to create the European Union's largest bank, said later it was pulling out of the battle and would seek opportunities elsewhere in Europe.

Ever since AMRO made its surprise challenge for Generale de Banque last month, the bidding war had been fraught with nationalistic overtones that contrasted with the creation of a European single market and currency.

Generale de Banque, created eight years before the birth of Belgium, was a national totem that financed the country's industrial revolution and its colonial expansion.

According to bank sources, members of Generale's management committee were in favor of the Dutch offer because it would have opened up a large continental market and created important economic synergies. AMRO contended that if Generale accepted the Fortis offer, it would be largely confined to a Belgian niche and left unprepared to deal with the restructuring and consolidation of the financial market caused by the adoption of the single currency in January.

Fortis partisans, on the other hand, asserted that by accepting the AMRO bid, Generale would have become the subsidiary of a Dutch subsidiary of a Dutch holding company, and would have quickly lost its own identity.

Explaining why its directors had sided with Fortis, Generale de Banque said AMRO would strive for "the dismemberment or sale to outsiders of various strategic activities." The Dutch group, it said, would have sold Generale's Dutch unit, absorbed its investment banking operations, centralized treasury operations in Amsterdam and taken direct control of units in Switzerland and Hong Kong.

Fortis, on the other hand, would focus its banking business on Generale de Banque and "maintain its integrity and the consolidation in Belgium of an autonomous decision-making center," Generale de Banque said.

AMRO denied that its bid had been hostile and said it had been the victim of special interests that were determined to keep Generale de Banque in Belgian hands.

"In the context of business relations in Belgium, factors play a role that clearly prevent a free, economic choice for all shareholders in this case," it said.

AMRO said it made no economic sense to try to match an improved offer by Fortis, after Generale de Banque directors approved their poison pill — a 10 percent increase in capital — to help Fortis win its bid.

Fortis improved its offer Friday, raising it 16.2 percent higher than its original offer three weeks ago. The Fortis offer in stock, cash and guarantees was equivalent to 28,675 Belgian francs (\$783.47) a share and valued Generale at \$14.2 billion.

AMRO had bid 27,095 francs a share, valuing the bank at \$12.6 billion. It would have had to have outbid Fortis by 5 percent to conform with Belgian takeover laws, a goal that slipped out of its grasp when Generale increased its capital.

Generale shares closed Friday at 28,675 francs, a 31 percent increase since Fortis made its first bid.

# Worst May Be Yet to Come for Asia, BIS Warns

Compiled by Our Staff From Dispatches

BASEL, Switzerland — The worst of Asia's troubles may yet be to come, the Bank for International Settlements warned in a report to be released Monday, saying that the full costs of the crisis on companies and lending banks had yet to be tallied.

The magnitude of the collapse in exchange rates and asset prices over the past year was "unprecedented and unprecedented in recent times," the BIS said in its annual report.

"While financial markets have stabilized somewhat, the full impact on domestic companies and the institutions that have lent to them remains to be seen, as do the full social costs," the international banking regulator said.

Emerging Asian economies can get back on track by following International Monetary Fund prescriptions, the BIS said, but it added that it would be a mistake to conclude that all the difficulties could have been easily avoided if domestic policies had been better.

An economic crisis across Asia was triggered last July, when Thailand allowed its currency, the baht, to fall freely against the dollar. That led to similar currency drops in Indonesia, Malaysia and other Asian countries.

Hong Kong, Malaysia and Indonesia all said last week that their economies slumped in the first quarter of 1998, and analysts predict further contractions in the quarters to come.

The prevailing weakness in the region has raised concern that China will be forced to devalue the yuan to help its exports compete with those of trade rivals in the region.

"There's serious concern" that China may devalue the yuan, said Andrew Siciliano of SBC Warburg Dillon Read. "And it's well justified."

Singapore's senior minister, Lee Kuan Yew, said in a television address Saturday that depreciation of the yen also was putting pressure on China to allow its currency to fall.

Mr. Lee said China would be able to

support a stable level for the yuan for at least a year. But he warned that if the dollar rose above 150 yen, the yuan would be "in a difficult situation."

Japan's inability to pull its economy out of a seven-year slump has drawn criticism from the international community, which wants Tokyo to take a leadership role in Asia's economic recovery. The yen, now at a seven-year low against the dollar, is likely to be a topic of discussion during a meeting this week of officials from the Group of Seven leading industrial countries.

(AP, Bloomberg, Reuters)

# CYBERSCAPE

## Plan Aims to Keep Web a Private Affair

By Jeri Clansing  
New York Times Service

WASHINGTON — With operators of World Wide Web sites under increasing pressure to police their own privacy practices, an international group that sets standards for the Web is proposing a new system that would give users more control over the information they disclose about themselves as they surf.

The proposal, called Platform for Privacy Preferences, would enable sites to disclose their privacy practices in a way that is understandable to users' browsers. Web surfers could then set preferences in their browsers to control how much information they want to release to Web sites when they visit.

For example, a user could set his browser to reveal only the address, and only to sites that have pledged to keep this information private. If the user arrived at a site that requested additional information or that intended to sell information to other sites, the browser would display an alert before connecting to the site.

The proposal, which comes from the

World Wide Web Consortium, a standard-setting body, is being hailed by Vice President Al Gore of the United States and others pushing for self-regulation of privacy standards on the Internet.

But some privacy advocates, who say that Web surfers should have easy access to completely anonymous surfing if they so choose, say the proposal is taking the wrong approach. They question how effective such a system would be because participation would be voluntary, and anyone wishing to remain anonymous could effectively be blocked from much of the Internet if sites began to demand personal information.

"We think this is headed in the wrong direction on technical solutions," said Marc Rotenberg, director of the Electronic Privacy Information Center in Washington. "We think the right solution would limit or eliminate collection of personal information."

The proposal comes as the Clinton administration is putting pressure on companies that collect information to establish guidelines and policies that protect users from the potential abuse of that information.

The administration is trying to raise

global support for Internet self-regulation in hopes of averting the spread of governmental regulations like those set to take effect in Europe in October.

A European Union directive will prohibit companies that collect personal information about European citizens from sending that information to any country that does not have the same level of protection. Such prohibitions could affect American companies trying to collect global marketing data. Web sites typically use data entered by users to provide customized information and for marketing purposes.

Many Web surfers are unaware of the amount of information being collected by the Web sites they visit because the most commonly used means of gathering this information, known as "cookies," are invisible except to the computer-savvy. Cookies are small files saved on a user's hard drive that let sites store data about actions by users or information they have entered.

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# CURRENCY RATES

Cross Rates									
	£	DM	FF	Yen	Yen	Yen	Yen	Yen	Yen
Australia	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Canada	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
France	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Germany	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Italy	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Japan	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
UK	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Switzerland	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Spain	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Sweden	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Norway	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
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Greece	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Portugal	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Belgium	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Netherlands	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Austria	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Sweden	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
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Denmark	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Finland	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Greece	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Portugal	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Belgium	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.36	16.63
Netherlands	1.00	1.36	16.63	106.48	1.36	16.63	106.48	1.	



## CAPITAL MARKETS ON MONDAY

## Bond Market Keeps an Eye on G-7 and an Ear on Greenspan Testimony

**Bridge News**  
NEW YORK — Between a meeting of leaders from the Group of Seven industrialized countries and testimony to Congress from Alan Greenspan, the Federal Reserve Board chairman, the Treasury bond market will have plenty to watch this week.

But traders and investors say the bond market is likely to be stuck in the same range that has prevailed recently, although the concerns about problems in Asia and other global hot spots will lend a firm tone.

The market's sideways price movement in recent months has occurred as it was squeezed between powerful opposing forces: the strength of the U.S. economy and the problems in overseas financial markets.

The yield on the benchmark 30-year Treasury bond finished at 5.79 percent

last week, down from 5.80 percent the previous week. Even a stronger employment report for May than analysts expected had failed to dent demand for Treasury paper.

Traders say the strong market reflects the fact that Treasury bonds still look

## U.S. CREDIT MARKETS

attractive given the financial and economic problems in Asia and other parts of the world. These problems also are seen keeping the Fed from raising interest rates in response to the strong growth.

Mr. Greenspan's testimony Wednesday to the Joint Economic Committee of Congress could shake the market out of its recent range. But some analysts said the Fed chairman was unlikely to say anything new.

Steve Van Order, a fixed-income

strategist at Calvert Funds, said the Fed did not have the same freedom the Bank of England exercised Thursday when it lifted interest rates in response to domestic conditions, without regard to the situation worldwide.

"The Fed is caught between that de facto role as world lender of last resort and our own domestic economy," he said.

Ted Ake, co-head of government trading at Everen Securities in Chicago, predicted that Mr. Greenspan's comments will be neutral to positive for the bond market. Mr. Ake said Mr. Greenspan would not want to sound too negative about the financial and economic problems in Asia for fear of scaring more investors out of the region.

Mr. Ake said he expected Mr. Greenspan to mention that there have been some signs of slowing in the economy,

which would be a plus for bonds. But he also expected Mr. Greenspan to make the bond market uncomfortable by talking about tight labor markets.

"When he talks about tight labor markets, you should buy that dip," Mr. Ake said.

Steve Vielhaber, director of taxable fixed income at Bank of America, speculated that Mr. Greenspan might try to talk down the U.S. equity markets.

But Steve Richiuto, chief economist at ABN-AMRO, said U.S. stock prices had not gone that far recently, so he doubted that Mr. Greenspan would want

to dampen the stock market's fervor.

"I think the only thing he can do is suggest he can't ease, and suggest there are worries on both sides of the equation," he said.

Heading into Mr. Greenspan's testimony, traders will also be watching the meeting of G-7 deputy finance ministers in Paris. There are concerns that the industrialized countries may decide at that meeting to mount a coordinated effort to bolster the yen against the dollar, a factor that could scare foreign investors away from Treasury bonds and result in big sales of Treasury bills

to finance the intervention.

But bond-market players say they doubt that the G-7 will go that far, saying that the weak yen reflects Japan's economic problems and that intervening to support it would be a waste of money until Japan gets its house in order.

Investors seem resigned to more sideways trading in U.S. interest rates for now as the standoff between domestic strength and foreign financial problems continues. But there is a sense that the problem overseas will win out in the end, resulting in higher Treasury prices and lower yields down the road.

## Uncertainty on Rates Sidelines Investors

By Carl Gewirtz  
International Herald Tribune

PARIS — Despite a sharp increase in interest and redemption payments in dollars, estimated to be running at \$16 billion a month in June and July — up more than 50 percent from the pace of the previous two months — international investors feel no urgency to spend their cash as the outlook for interest rates remains cloudy.

With the U.S. economy still not showing signs of slowing and after the surprise increase in short-term British rates last week, investors are sidelined awaiting the meeting of the Federal Reserve Board's policy-making committee at the end of the month.

But with the situation in Asia still so fragile, many observers say they doubt that the Fed would risk a major market upset by raising rates at this juncture. Rather than try to decide the outcome, bankers report that investors are happy to sit on the sidelines or move into floating-rate notes, which provide maximum protection against an increase in official interest rates.

Investors also responded in force to the emergency financing for Russia last week. Originally billed to be seeking \$1 billion, the Russians sold \$1.25 billion worth of five-year notes that were priced to yield 650 basis points (6.5 percentage points) more than comparably dated U.S. government notes. Just over half of the issue was placed with U.S. investors and the remainder in Europe.

The new bonds finished the week at 6145 basis points.

The narrowing spread, said bankers at Goldman Sachs & Co., which managed the issue, was to be expected following the boost to confidence from the sale of the bond, strong signals of support for Russia from the international community and the subsequent new li-

quidity of the domestic market, which permitted a sharp reduction in domestic Russian rates. The Russians have indicated they plan to return to the market for a further \$2.5 billion.

Moscow's success, relieving worries of a deepening crisis in emerging markets, also cleared the way for Jamaica's \$250 million worth of seven-year notes, which were offered at a spread of 525 basis points. Market rumors had Jamaica looking for \$400 million, but bankers at Citibank, the lead manager, insisted that the bigger sum was the target borrowing for the year and was never intended to be raised in one issue.

Lebanon is expected this week to offer \$500 million worth of seven-year notes, part of its program to raise \$2 billion in the international capital market this year.

The corporate "junk" bond market is also expected to revive. According to analysts at Bankers Trust, there are 38 issues outstanding in the corporate junk market — up from six last year — with a market valuation of about \$5 billion.

In the corporate market, Ford Motor

Co. this week is expected to issue 2 billion Deutsche marks (\$1.13 billion) worth of 10-year bonds and, in the dollar sector, Household Finance Corp. is planning to raise \$1 billion split between a seven-year floating-rate note and a 10-year fixed-coupon bond.

In the foreign-exchange market, the main action was in the mark-yen trade with the mark up 1.3 percent on the week. Traders say the mark is firmer to move up against the yen because that cross rate is less politically sensitive than the dollar-yen rate. The dollar rose 0.6 percent versus the yen last week, to finish at 139.75 yen, but slipped 0.6 percent versus the mark, to 1.743 DM.

But the expected move of the dollar above 140 yen is constrained, traders say, by the meeting of Group of Seven finance officials this week — ostensibly to discuss the situation in Russia — as well as by the Japanese elections for the upper house in July. Beyond the election and clarification of what if any plan to spur growth or relieve the credit squeeze in Japan, the yen is widely expected to weaken sharply.

## Economist Sees Dollar Rising to 150 Yen

Reuters

GENEVA — The dollar could hit 150 yen in the short term if central banks do not intervene to halt its rise, C. Fred Bergsten, the director of the Washington-based Institute for International Economics, has predicted.

Mr. Bergsten said the Japanese economy was very weak and likely to get weaker in the coming months because the Japanese authorities had not succeeded in stimulating demand.

The failure of the Japanese government so far to address domestic economic problems is the reason why cen-

tral banks from other major industrial countries have not intervened jointly, he said.

The dollar finished last week at 139.75 yen, a seven-year high.

"The lack of intervention is based on the lack of confidence in Japanese economic policy," Mr. Bergsten said, adding that central banks would not be able to stand aside for much longer.

Mr. Bergsten said it was unlikely that the dollar rally would continue for more than six to 12 months. The dollar, he said, already is 30 percent overvalued against the yen.

## New International Bond Issues

Compiled by Laurence Desvillettes

Issuer	Amount (millions)	Mat.	Comp.	% Price	Price and week	Terms
<b>Floating Rate Notes</b>						
Finova Capital	\$250	2003	1%	99.739	—	Over 3-month Libor. Noncallable. Fees 0.20%. (ABN-AMRO Hoare Govett)
Key Bank National Association	\$500	2003	1%	100.012	—	Over 3-month Libor. Noncallable. Fees 0.175%. (Morgan Stanley Dean Witter)
Merrill Lynch & Co.	\$300	2006	0.15	99.55	—	Over 3-month Libor. Noncallable. Fees 0.20%. (Merrill Lynch Intl)
NationsBank	\$800	2003	0.075	99.80	—	Over 3-month Libor. Noncallable. Fees 0.175%. (Merrill Lynch Intl)
Pacific Electric Wire & Cable	\$110	2001	1.20	100.00	—	Over 6-month Libor. Redeemable to 2003, in which case interest will be 1.35, then 1.20 over Libor. Noncallable. Fees not disclosed. (Overseas Union Bank)
PNC Bank	\$300	2003	1%	99.925	—	Over 3-month Libor. Callable at par in 2000. Fees 0.175%. (ABN-AMRO Hoare Govett)
Bank of Nova Scotia	DM400	2001	1%	100.049	—	Interest will be the 3-month Libor. Noncallable. Fees 0.125%. (CS First Boston)
Amroveneto Int'l Bank	ITL400,000	2008	4%	99.735	—	Over 3-month Libor. Noncallable. Fees 0.50%. (Goldman Sachs Intl)
Corp. Andino de Fomento	ITL200,000	2001	0.45	99.93	—	Over 3-month Libor. Noncallable. Fees 0.25%. (J.P. Morgan Securities)
<b>Fixed-Coupons</b>						
BNG	\$250	1999	zero	95.524	—	Reaffirmed at 94.624. Noncallable. Fees 1%. (Norman Intl)
British Gas Finance	\$300	2018	6%	99.528	—	Semiannually. Noncallable private placement. Fees 0.875%. (CS First Boston)
Famille Mae	\$3,500	2005	5%	99.492	99.43	Semiannually. Noncallable. Fees 0.125%. Denominations \$10,000. (Goldman Sachs Intl)
Jamaila	\$250	2005	10%	99.974	—	Semiannually. Noncallable. Fees 0.50%. Denominations \$10,000. (Citibank Intl)
Russia	\$1,250	2003	11%	98.79	100.30	Semiannually. Noncallable registered notes. Fees 0.225%. (Goldman Sachs Intl)
BBV Int'l Finance	DM500	2008	5	98.66	98.67	Noncallable. Fees 0.325%. (SBC Warburg)
Deutsche Bahn Finance	DM1,500	2008	5	99.186	99.20	Noncallable. Fees 0.325%. (DG Bank)
General Electric Capital Corp.	DM100	2003	4 1/2	101.34	99.65	Reaffirmed at 99%. Noncallable. Fungible with outstanding issue, raising total amount to 400 million marks. Fees 2%. (SBC Warburg)
Bradford & Bingley Building Society	£125	2023	6%	98.568	—	Noncallable. Fees 0.625%. Denominations £10,000. (Barclays Bank)
Depra Bank	£150	2000	7	99%	—	Noncallable. A. Fees 0.125%. (HSBC Markets)
European Investment Bank	€200	2008	6%	102.419	—	Noncallable. Fungible with outstanding issue, raising total amount to €700 million. Issue may be redenominated in euros after EMU. Fees 0.225%. (Barclays Bank)
BBV Int'l Finance	FF1,200	2008	5	98.66	98.67	Noncallable. Fees 0.325%. (SBC Warburg)
Merrill Lynch & Co.	FF1,500	2010	5%	99.12	99.30	Noncallable. Fees 0.425%. (Merrill Lynch Intl)
Omnicom Group	FF1,000	2005	5.20	98.822	99.78	Noncallable. Fees 0.40%. (Morgan Stanley Intl)
Sunamerica Institutional Funding	FF1,500	2004	4%	99.685	—	Noncallable. Fees 0.30%. Denominations 100,000 francs. (CDC Marches)
Haagovens	DF300	2008	5%	100.77	99.10	Reaffirmed at 99.195. Noncallable. Fees 2%. (ONG Barings)
SR Bank	DF300	2008	5%	101.217	99.55	Reaffirmed at 99.442. Noncallable. Fees 2%. (ABN-AMRO Hoare Govett)
European Investment Bank	ECU200	2004	5%	103.04	—	Noncallable. Fungible with outstanding issue, raising total amount to 1.5 billion Ecus. Fees not disclosed. (Odebre Europe)
General Electric Capital Corp.	ECU200	2004	4%	100.56	98.75	Reaffirmed at 98.94. Noncallable. Fees 1%. (SBC Warburg)
Greece	ECU500	2008	5%	100.85	101.10	Noncallable. Fungible with outstanding issue, raising total amount to 2 billion Ecus. Fees 0.75%. (CS First Boston)
Lafarge	ECU500	2006	5%	100.955	99.30	Reaffirmed at 99.43. Noncallable. Fees 1%. (Paribas)
Inter-American Development Bank	Y13,000	2001	5	99.98	—	Monthly. Redemption at maturity will be in pounds. Noncallable private placement. Fees 1.40%. (Norman Intl)
<b>Equity-Linked</b>						
Societe Generale Acceptance	ECU100	2000	10	100.80	—	Reaffirmed at 99.80. At maturity, redemption in Ecus or in Novartis shares if they trade below 2.29 francs. Noncallable. Fees 1 1/4%. (Cibate Holding)

## The Week Ahead: World Economic Calendar, June 8-12

A schedule of this week's economic and financial events, compiled for the International Herald Tribune by Bloomberg Business News.

	Asia-Pacific	Europe	Americas
<b>Expected This Week</b>	<b>Hong Kong:</b> Far Eastern Economic Review's annual conference, Wednesday through Thursday. Conrad International Hotel. <b>Tokyo:</b> Morgan Stanley Japan Ltd. seminars on corporate earnings outlook. Monday through Wednesday.	<b>Geneva:</b> Swiss private banking industry conference. Through Wednesday. Hilton Hotel. <b>Kiev:</b> Visiting International Monetary Fund team to screen economic indicators and decide whether Ukraine qualifies for \$2.2 billion Extended Fund Facility loan.	<b>Minneapolis:</b> Piper Jaffray's financial conference on emerging growth companies. Through Thursday. <b>Santa Barbara, California:</b> Software Marketing Journal's Software Marketing Executive Retreat conference. Through Wednesday.
<b>Monday June 8</b>	<b>Taipei:</b> Chiang Pin-kung, chairman of the Council for Economic Planning and Development Council, to give a briefing on Taiwan's economic policy. May trade data. <b>Tokyo:</b> Merchandise trade figures for the first 20 days of May.	<b>Budapest:</b> Preliminary April current-account figures. <b>London:</b> May producer price data. Madrid: Labor Ministry to release May unemployment figures; government to set the final share price in its sale of 33 percent of Endesa.	<b>Buenos Aires:</b> May cement sales. New York: Ernst & Young conference on Investment Opportunities in South Korea. Speakers include President Kim Dae Jung of South Korea.
<b>Tuesday June 9</b>	<b>Tokyo:</b> Bank of Japan to release figures on wholesale prices for May; machine tool orders for April; Economic Planning Agency's monthly economic review for June.	<b>Bonn:</b> April industrial output. London: April manufacturing and industrial production figures. <b>Nuremberg, Germany:</b> May unemployment report. <b>Paris:</b> Survey on May consumer confidence.	<b>Buenos Aires:</b> First-quarter gross domestic product. <b>New York:</b> LJR Redbook Research's survey of sales at 20 U.S. department and discount stores. <b>Washington:</b> April wholesale inventories.
<b>Wednesday June 10</b>	<b>Tokyo:</b> Used-automobile sales for May; public-works starts for April; Finance Ministry's quarterly survey of corporate profits for January-March period.	<b>Copenhagen:</b> March current-account and trade balance. <b>Frankfurt:</b> Bundesbank policy council to debate monetary policy. <b>Sofia:</b> May inflation data. Earnings expected: Granada Group, Spar Handels.	<b>Washington:</b> Chairman of the Federal Reserve Board, Alan Greenspan, to testify on the U.S. economic outlook to the Joint Economic Committee; weekly report on mortgage applications.
<b>Thursday June 11</b>	<b>Manila:</b> Smart Communications to hold an international multimedia conference to discuss means of promoting multimedia technologies in Asia. Through June 17. <b>Tokyo:</b> Economic Planning Agency to release April machinery orders.	<b>Bern:</b> First-quarter gross domestic product growth. <b>Copenhagen:</b> April housing starts. <b>London:</b> April figures for housing starts and completions. <b>Paris:</b> Bank of France holds monetary policy council meeting.	<b>Washington:</b> May retail sales; weekly unemployment claims; estimate for import and export prices for May. <b>Chicago:</b> InterShow presents the Chicago Money Show. Speakers include Chicago president of Morningstar Inc., Don Phillips.
<b>Friday June 12</b>	<b>Wellington:</b> May food prices. <b>Shenzhen, China:</b> Shenzhen STS Microelectronics Co. to open its Assembly and Test Plant and Design Center.	<b>Budapest:</b> April industrial output figures. <b>Madrid:</b> May consumer price index. <b>Rome:</b> March industrial orders and sales figures.	<b>Atlanta:</b> Federal Reserve Bank to release monthly index of manufacturing in the Southeast. <b>Washington:</b> April business inventories; May producer price index; world and U.S. grain supply, demand and production.

## Last Week's Markets

Stock Indexes	June 5	May 29	% Chg
DJ Ind.	9,037.71	8,899.95	+1.55
DJ Ind.	2,272.36	2,244.45	+1.21
S&P 500	1,358.45	1,344.41	+1.04
NASDAQ	1,772.92	1,774.87	-0.11
FTSE 100	5,847.30	5,870.70	-1.30
DAX	5,688.50	5,549.08	+2.14
Hang Seng	9,569.47	9,734.56	-1.69
World MSCI	1,065.39	1,065.32	+0.01

## Euromarkets

Eurobond Yields				Weekly Sales			
	June 5 May 29 % Chg			Primary Market			
U.S. \$, long term	6.84	6.90	0.80				
U.S. \$, medium term	6.64	6.70	0.90				
U.S. \$, short term	6.39	6.45	0.90				
Pound sterling	5.99	5.97	0.05				
French francs	4.22	4.00	4.89				
Italian lire	4.90	4.65	4.93				
Swedish kronor	5.00	5.14	3.43				
Spanish pesetas	4.75	4.69	1.35				
ECUs, long term	5.18	5.22	0.85				
ECUs, medium term	4.84	4.86	0.43				
ECUs, short term	4.66	4.67	0.19				
Yen	5.56	5.72	6.18				
Yen	5.23	5.38	2.83				
Yen	5.01	5.06	1.35				

Source: Luxembourg stock exchange.

Libor Rates				Weekly Sales			
	June 5 May 29 % Chg			Primary Market			
U.S. \$, 3-month	5 3/4	5 1/2	1 1/2				
U.S. \$, 6-month	5 3/4	5 1/2	1 1/2				
U.S. \$, 12-month	5 3/4	5 1/2	1 1/2				
French franc	3 3/4	3 1/2	1 1/2				
ECU	3 3/4	3 1/2	1 1/2				

Source: Euroclear, Credit Bank.



## GM Heir Apparent Is Leukemia Patient

By Warren Brown  
Washington Post Service

WASHINGTON — Harry Pearce, the man believed to be in line to succeed John Smith Jr. as chairman of General Motors Corp., has been diagnosed with leukemia. Mr. Pearce, 55, is continuing on the job as vice chairman. But if his health worsens, it could raise ques-

### Amid Boom, More People Go Bust in U.S.

Washington Post Service

WASHINGTON — Despite a booming economy, the number of personal-bankruptcy filings in the United States has escalated, hitting a record last year for the third consecutive year and again in the first quarter of this year. From 1996 to 1997, filings jumped 20 percent, to 1.35 million, or one in every 70 households. The numbers are causing concern in Congress, where the House and Senate are expected to vote in the next few weeks on legislation making it harder for people to file for bankruptcy. Some lawmakers — backed by banks, credit-card companies and retailers — say that the process is too easy and that too many people with the ability to repay creditors are seeking this relief. Consumer groups and economists say banks and credit-card issuers are to blame for the increase in bankruptcies. Credit is too easy to obtain and available to those who already are financially strapped, they say.

tions about who will assume leadership of the world's largest industrial company when Mr. Smith, 60, retires.

Mr. Smith, who also serves as president and chief executive, has an open-ended agreement to serve as chairman, meaning that his tenure has no term limit. But lately there have been rumors that Mr. Smith might step down in a year or two. Mr. Pearce was named vice chairman in 1996, a job that gives him oversight of the company's corporate staffs and subsidiaries, including Hughes Electronics Corp.

Mr. Smith said late Friday that Mr. Pearce "is currently feeling fine" and "will continue his key responsibilities."

From 1987 through to August 1994, Mr. Pearce served as GM's general counsel. He rose to prominence in that position in 1993 by publicly challenging the veracity of a "Dateline NBC" report that accused the company of producing pickup trucks with fuel tanks that could explode in side-impact crashes.

The television magazine show aired videos of trucks with exploding tanks. But Mr. Pearce proved that the tanks were rigged — that they were outfitted with pyrotechnic devices to help ensure that they would explode on impact. NBC apologized. Mr. Pearce became a corporate hero, albeit one who never sought the limelight. Instead, he worked behind the scenes at GM, helping to modernize the governance of a corporation that, by its own admission, had become mired in tradition. He was elected a GM director and became vice chairman on Jan. 1, 1996.

Mr. Pearce's rise at GM was unusual. By GM's traditional standards, he was an outsider, having arrived in mid-career. Most GM leaders are what the company calls "lifers," people who have been with the corporation their entire working lives.

## Making Short-Term Players Pay

More Funds Impose Redemption Fees on Investors Who Back Out

By Maggie Topkis  
New York Times Service

NEW YORK — Investors who skip blithely from fund to fund, beware. More funds are imposing redemption fees to trip up those who are fleet of foot, fund experts say, and the fees are carrying nastier stings.

Unlike back-end loads, or deferred sales charges — typically used to pay brokers — redemption fees are returned to the fund's asset base. They average 1 percent of the assets being redeemed and are intended to discourage short-term players, like market timers or those who simply change their minds a lot.

The fees, however, are usually not imposed for long. According to Lipper Analytical Services, a research firm based in Summit, New Jersey, the average redemption fee is in effect for about seven months from the date of purchase. After that, investors can get out without paying a toll.

Why are more funds consider-

ing redemption fees? In October, fair-weather investors in the Texas Capital Value and Growth fund yanked 20 percent of the fund's assets in just three days. Mark Coffelt, the fund's manager, said that forced him to sell stocks, many at a profit, resulting in capital gains on

### INVESTING

which the remaining shareholders had to pay unexpected taxes.

Even those holding funds in tax-deferred accounts can be hurt in such circumstances because the manager can be forced to sell into a market that does not want to buy.

Among the fund companies that are upping the redemption ante is Fidelity Investments, the industry giant. A number of Fidelity funds already carry redemption fees of up to 1.5 percent, typically for redemptions within 90 days of purchase. But the new Fidelity Small Cap Stock fund charges 3 percent — and the fee is levied if an investor skips within the first three years. A five-year tenure is required by

tax-managed funds from the Vanguard Group, which impose a redemption fee that slides from 2 percent to 1 percent.

And some funds are imposing fees regardless how long investors stay. The Oberweis Micro-Cap and Oberweis Mid-Cap funds charge a modest 0.25 percent fee whenever an investor redeems shares.

Some of the rules are a mite tricky. At Bridgeway Capital Management, both Bridgeway Ultra-Large 35 Index and Bridgeway Ultra-Small Index come with permanent redemption fees, but with a twist: The 2 percent toll will be assessed, at the fund's discretion, only if an investor sells after the Standard & Poor's 500-stock index has fallen by 5 percent in the five previous trading days.

Permanent fees are perhaps most common among emerging-markets funds, more than 20 percent of which have a redemption fee of some kind, according to Morningstar Inc., the Chicago financial publisher.

## Is a Merrill-Sanwa Alliance Next?

Bloomberg News

TOKYO — Merrill Lynch & Co., the biggest U.S. investment bank, and Sanwa Bank Ltd., Japan's fourth-largest bank by assets, are in talks about setting up a joint venture and selling mutual funds, Japanese media reported, without citing sources.

That deal would be the latest in a series of alliances between Japanese and foreign financial companies. Japan's Parliament passed four bills Friday to deregulate the country's financial markets by scrapping fixed brokerage commissions and giving

banks, brokerages and insurance companies freer rein to move in on each other's turf. Foreign companies are lining up for a share of the 1.2 quadrillion yen (\$8.59 trillion) of Japanese household assets.

Sanwa Bank is considering ties with foreign financial institutions, but a Sanwa spokesman, who refused to be identified, refused on Saturday to say if the bank was in talks with Merrill Lynch. He said ties with other banks would be necessary to provide products that meet customers' demands, adding the bank would be able to get know-how on

services it cannot provide by itself.

The Yomiuri newspaper reported Saturday that Sanwa and Merrill might set up a joint venture to develop asset management systems for mutual funds, while the Mainichi newspaper said the two companies were expected to reach an agreement to sell mutual funds through Sanwa's branches as early as this month.

Merrill could not be reached for comment. It announced in February that it would build a Japanese brokerage aimed at individual investors, hiring 2,000 employees from the defunct Yamaichi Securities Co.

## GOLDMAN: Partners of Secretive Club to Convene This Week to Determine Whether to Go Public

Continued from Page 13

partners, Sidney Weinberg, who started at Goldman at age 16 cleaning spittoons.

Weinberg opened the firm to such street-smart punters as Gustave Levy, who invented block-issue trading and built the most profitable arbitrage operation on Wall Street and, later, to driven Ivy Leaguers such as Robert Rubin, now the secretary of the Treasury.

Descendants of the original families no longer own equity in the firm. But even as Goldman became more meritocratic, the firm's old-fashioned, sometimes arbitrary compensation arrangements continued. They helped cement the almost cultlike emphasis on cooperation that is extolled in firm's official business principles.

"We stress teamwork in everything we do," proclaims one of the credo's most frequently cited tenets. "While individual creativity is always encouraged, we have found that team effort often produces the best results. We have no room for those who put their personal interests ahead of the interests of the firm and its clients."

The firm's image as a bastion of global capitalism notwithstanding, there is something oddly socialistic about the way its partners divvy up their loot.

Unlike at other Wall Street firms, which tend to lavish money and praise on a handful of star performers, at Goldman senior traders can earn as much as the big rainmakers on the investment banking side. An employee whose department raked in big sales can wind up with a relatively small year-end check if the rest of the firm had trouble.

Because partners get the chance to evaluate one another, the perception by colleagues that a Goldman banker is "not a team player" can cost a bundle at the end of the year.

Top managers at Goldman are as tight-lipped about its compensation methods as Coca-Cola Co. executives are about the recipe for their soda. But the basic elements of the Goldman reward system are well known.

Partners receive a modest (at least by Wall Street standards) base salary of perhaps \$200,000. In addition, they are allocated a sliver of the firm's total equity that partly reflects performance but is filled heavily to reward seniority and contributions to Goldman's operation as a whole.

Here's the catch: Partners must leave their equity in the firm's account as working cap-

ital until retirement — and even then, they usually are not allowed to get their money out all at once. The current co-chairman, Jon Corzine, has estimated that this locked-in equity typically represents more than 90 percent of a Goldman partner's net worth, and it remains fully exposed to potential losses by the firm for the length of partner's career. That means everyone's fortunes rise and fall together.

In lieu of bonuses, Goldman partners get the bulk of their annual compensation in the form of a payment representing their share of the firm's overall profits for that year — leaving them rich on paper but relatively cash-poor.

To hear competitors and clients tell it, this compensation plan has bred a species of investment bankers that is the high-finance equivalent of the dinosaurs known as velociraptors. That is, Goldman partners are skilled and fearless predators — and they always hunt in packs.

Goldman's senior partners have debated going public at least half a dozen times over the past 25 years, employees say — most recently at the firm's annual meeting in 1996. But invariably the proposals have been tabled before coming to a vote of the full partnership, usually because of objections from junior partners who are reluctant to cash out before they have had a chance to accumulate substantial equity in the firm.

This month, however, the idea appears to have taken on new momentum. At a meeting in New York a week ago, Goldman's powerful operating and partnership committees recommended that the full partnership formally consider a public sale. On Monday, Mr. Corzine informed the firm's 13,000 employees in a global conference call that the issue would again be up for discussion at the annual meeting and "will quickly come to a head."

In his announcement, Mr. Corzine — who some guess stands to net more than \$500 million for his stake if the sale goes through — stressed that the question would be "decided by the entire partnership." Inside the firm, however, it is generally accepted that an equity sale, whether an initial public offering or some type of alternative transaction preparing the way for a potential merger, will be presented for vote and win approval soon.

"Most people are expecting that we'll go public," said a younger partner who, like all Goldman employees interviewed for this article, agreed to talk about the issue on the

condition that he not be identified. "All of us," he added, "have the expectation that we will be taken care of in some way."

Top executives at several rival investment houses express doubt that, for Goldman, the potential gains of increasing the firm's capital base are worth the risk of upsetting its fragile social compact.

"It doesn't make sense," one said. "To the extent that Goldman is doing this because of competitive concerns, I don't see how any of them will be solved by a public offering."

The executive said that even after an initial public offering, Goldman would not be capitalized in the same league as Salomon Smith Barney or Morgan Stanley Dean Witter.

In the worst-case scenario, an attempt by senior partners to cash out now could trigger mass defections by younger stars who have been toiling in the expectation of much larger rewards when they retire.

"No one is thinking about jumping ship yet," said one young banker, who reasons that the Goldman elders know they will not

get top price for their shares if investors suspect the junior varsity is about to bolt.

It is hard to see how capital constraints are cramping Goldman's style. In all four of its major business areas, the firm appears to be at the top of its game.

Last year, the Goldman Sachs partners reported pretax earnings of \$3.01 billion. In the first quarter of this year, pretax profit was a record \$1.02 billion. Second-quarter results, expected to be disclosed June 16, are likely to be even better.

Over the past two years, the firm has played the lead role in executing a string of complex deals, including the \$13 billion privatization of Deutsche Telekom AG, the largest initial public offering ever; the \$38 billion pairing of Daimler-Benz AG and Chrysler Corp., the largest industrial merger ever; a \$4 billion offering for China Telecom Ltd., the first privatization deal in China; and a \$4 billion bond offering by the government of South Korea, the largest sovereign debt deal in Asia.

## SHORT COVER

### Prada Buys 5% of Gucci Shares

MILAN (Reuters) — Prada, an Italian luxury goods and fashion group, said Sunday that it had amassed a 5 percent stake in rival Gucci Group.

Prada said it had bought the stake for financial benefit and as part of a strategic diversification.

"This operation was financially motivated and is a strategic diversification in the sector in which Prada operates," it said. Prada is thought to have paid market prices — an estimated total of \$120 million to \$140 million — for the stake. Gucci shares are listed in Amsterdam and New York.

Gucci confirmed it had been informed of Prada's stake but said: "The Gucci Group would like to point out that this investment was not urged by Gucci and that no accord or talks are taking place or expected with Prada."

### VW Workers Laud Rolls Purchase

FRANKFURT (Reuters) — The works council of the Volkswagen AG said over the weekend that it supported the German carmaker's purchase of Rolls-Royce Motor Cars Ltd. from Vickers PLC of Britain.

"The workers' representatives on the supervisory board and the overall works council agreed with the decision because it broadens VW's product offering in the luxury car segment," Hans-Juergen Uhl, head of the works council, told German radio.

Mr. Uhl said he saw no negative effects on jobs in VW factories. "In certain cases, it will lead to improved job security," he said.

### Philip Morris Settles With Holders

NEW YORK (Bloomberg) — Philip Morris Cos. agreed to pay \$105 million to certain shareholders to settle a securities fraud lawsuit that claimed that the world's largest cigarette maker had misled consumers on the addictive properties of its product, the company has said.

Philip Morris executives denied keeping the addictive qualities of cigarettes secret. The company said it had settled the four-year-old class-action suit to eliminate litigation costs and the potential of a large damage award.

Philip Morris will put the \$105 million in a fund for investors who held shares in the company, which also owns Kraft Foods and Miller Brewing, between June 1991 and May 1994.

### Vietnam Reviews GDP Target

HANOI (AFP) — Deputy Prime Minister Nguyen Tan Dung has been quoted as saying Vietnam is reconsidering its growth target of 9 percent this year, an implicit admission that the it is unlikely to meet the goal.

Mr. Dung said the target, set by the National Assembly at the end of last year, was being reviewed, the Vietnam News reported Saturday. He said it was still too early to release a new prediction, adding that growth in the first five months of the year was 6.5 percent to 6.8 percent.

### Intel Expected to Cut Chip Price

Bloomberg News

SANTA CLARA, California — Intel Corp. is expected to cut prices on its microprocessors by as much as 20 percent this week, as the company grapples with a slowing personal-computer market and makes room for faster chips.

Price cuts on its Pentium II chips — the brains of newer PCs — range from 12 percent to 20 percent, analysts said. The world's largest chipmaker also is expected to introduce a faster Celeron chip, designed for PCs costing less than \$1,200. It would be Intel's third round of cuts this year.

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### Money Show &

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### EMERGE CAPITAL

Société d'investissement à Capital variable  
69, route d'Esch, L-1470 LUXEMBOURG  
R.C. Luxembourg B-45520

To our shareholders

We have the honour to invite you to attend the

#### ANNUAL GENERAL MEETING

of shareholders of our company, which will take place at the offices of Banque Internationale à Luxembourg, 69, route d'Esch, L-1470 Luxembourg, on June 24, 1998 at 4:00 p.m. for the purpose of considering and voting upon the following agenda:

1. Report of the Board of Directors and of the Independent Auditor;
2. Approval of the Statement of Net Assets and of the Statement of Operations as at February 28, 1998; allocation of the results;
3. Discharge to the Directors;
4. Statutory appointments;
5. Miscellaneous.

Resolutions on the agenda of the annual general meeting will require a quorum and will be taken at the majority of the votes expressed or represented at the meeting.

In order to attend the meeting, the owners of bearer shares will have to deposit their shares five clear days before the meeting with Banque Internationale à Luxembourg, 69, route d'Esch, L-1470 Luxembourg.

THE BOARD OF DIRECTORS.

### HEALTHCARE EMERGING GROWTH FUND

SICAV  
69, route d'Esch, L-1470 LUXEMBOURG  
R.C. Luxembourg B-58078

Shareholders are kindly invited to attend the

#### ANNUAL GENERAL MEETING

of shareholders of our company, which will be held at the registered office of Banque Internationale à Luxembourg, 69, route d'Esch, Luxembourg, on June 24th, 1998 at 5:00 p.m. with the following agenda:

1. Submission of the Reports of the Board of Directors and of the Independent Auditor;
2. Approval of the Statement of Net Assets and of the Statement of Changes in Net Assets for the period from February 17th, 1997 to February 28th, 1998;
3. Allocation of the net results;
4. Discharge to the Directors;
5. Statutory appointments;
6. Miscellaneous.

The shareholders are advised that no quorum is required for the items on the agenda of the Annual General Meeting and that decisions will be taken on a simple majority of the shares present or represented at the Meeting with no restrictions.

In order to attend the Meeting, the owners of bearer shares will have to deposit their shares five clear days before the Meeting with Banque Internationale à Luxembourg, 69, route d'Esch, L-1470 Luxembourg.

THE BOARD OF DIRECTORS.

### LEAF

Société d'investissement à Capital variable  
Siège social:  
69, route d'Esch, L-1470 LUXEMBOURG  
R.C. Luxembourg B-37 669

To our shareholders

We have the honour to invite you to attend the

#### ANNUAL GENERAL MEETING

of the Company to be held at the offices of Banque Internationale à Luxembourg, Société Anonyme, 69, route d'Esch, L-1470 Luxembourg, on June 24th, 1998, at 3:00 p.m. with the following agenda:

#### AGENDA

1. Reports of the Board of Directors and of the Independent Auditor;
2. Approval of the statement of net assets and of the statement of operations as at February 28, 1998;
3. Allocation of the results;
4. Discharge to the Directors;
5. Statutory appointments;
6. Miscellaneous.

The shareholders are advised that no quorum is required for the items of the agenda of the Annual General Meeting and that decisions will be taken on a simple majority of the shares present or represented at the Meeting with no restrictions.

In order to attend the Meeting, the owners of bearer shares will have to deposit their shares five clear days before the Meeting with Banque Internationale à Luxembourg, 69, route d'Esch, L-1470 Luxembourg.

THE BOARD OF DIRECTORS.



## THE INTERMARKET

## RECRUITMENT

## IT MANAGER

## Northern Italy

US\$70,000 + Car + Benefits &amp; Relocation

Our client is a well established, environmentally aware, international industrial leader who is pursuing opportunities world-wide in advanced cooling technologies in various markets and Telecomms in particular. Committed to expansion, they are highly respected for quality and technical expertise.

Looking to strengthen their International Head Office management team, an opportunity exists for an IT Manager with significant experience of IT management and systems delivery.

The chosen candidate will take responsibility for managing a team of 10, including overseas subsidiaries and will be expected to progress existing systems and deliver major ongoing development projects, whilst at the same time recommending longer term IT strategy. The need to communicate with and educate users is critical, in order to secure full benefit from investment.

To be considered, candidates must be ambitious, possess professional engineering or IT/IS qualifications, be able to demonstrate technical ability that encompasses ERP - preferably JDE, WAN/LAN, Internet/Intranet and will have held responsibility for project management, integration of foreign subsidiary systems and managed external consultants and software houses.

If you can match this brief, have Italian and English language skills and want an opportunity to contribute to our clients growth as an empowered member of an international management team, please submit your CV quoting reference EUP16898 to:

The Director, FR Europe, Parmenter House, Tower Road, Winchester, Hampshire, SO23 8TD, United Kingdom.

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## GEC ALSTHOM

## TRANSPORT

TRANSPORT SYSTEMS, TGV, EUROSTAR, LOCOMOTIVES, SUBWAYS, TRAMWAYS, SIGNALLING SYSTEMS AND SERVICES

TO ANSWER OUR MOST ESSENTIAL KEY OBJECTIVES IDENTIFIED IN THE WORLD, the Managing Director CREATES for our headquarters a new DEPARTMENT TENDERS AND PROJECTS which proposes the position

## TENDERS &amp; PROJECTS SUPERVISOR

Attractive Package

Based close to PARIS

Excellent opportunity for a high calibre professional to play a critical role in our development

## THE COMPANY

International French-based Division  
GEC ALSTHOM TRANSPORT (25,000 people worldwide - 30 sites) of a global industrial Group GEC ALSTHOM (ECU 9.4 bn turnover, 94,000 people worldwide).

## THE ROLE

Report to Tenders and Projects Director.  
Validate tenders and projects reviews.  
Structure the tendering process (strategy, quality, reliability) and the process of project management.  
Give advice and expertise for tender and project process.

## QUALIFICATIONS

32 years minimum, graduate with similar experience in an international industry.  
Equipments or systems (electronics, automotive, aeronautics, engineering, etc.).  
Operated within a multicultural business environment.  
Good command of French. Knowledge of another European language is a bonus.  
Overseas travel.  
Career development for a successful candidate.

Please send your C.V. with a covering letter in French and/or English stating current salary - Ref: GEC/RESP.OF.PRO/16HT to Richard Benaoui - GROUPE BBC - 1 bis place de Valois - 75001 PARIS - France - Fax: +33 (0) 1 42 60 38 95.

All applications will be treated in the strictest confidence.

International Industrial Group, one of the unchallenged leaders in the world in its field

## PURCHASING AND PROCUREMENT MANAGER

Attractive Package

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Excellent opportunity for a high calibre professional to play a critical role in our development

## THE COMPANY

Important Site of International French-based Group.

## THE ROLE

Report to the Site Director and member of the Staff Committee.  
Responsible to promote a dynamic strategy (quotations, specifications, quality, innovations, policies).  
Manage a team of 50 responsible for purchasing and procuring all equipments and raw material along with Company policy.

## QUALIFICATIONS

33 years minimum, graduate with similar experience in an international industry.  
Equipments or systems (electronics, automotive, aeronautics, engineering, etc.).  
Operated within a multicultural business environment.  
Good command of French. Knowledge of another European language is a bonus.  
Overseas travel.  
Career development for a successful candidate.

Please send your C.V. with a covering letter in French and/or English stating current salary - Ref: RESPACH-APPRO/05HT to Richard Benaoui - GROUPE BBC - 1 bis place de Valois - 75001 PARIS - France - Fax: +33 (0) 1 42 60 38 95.

All applications will be treated in the strictest confidence.

Due to continued expansion - Seateam (UK) Ltd - a leading offshore company requires:

## PRINCIPLE GEOPHYSICIST/OFFSHORE PROJECT MANAGER

Ph.D. in Geophysics with strong background in signal and image processing and software construction. Specialised in marine seismic data processing.  
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He/She will be skilled in the use of Micromax and Promax with, additionally, skills in interactive digital seismic data interpretation via workbooks.  
A perfect spoken and written knowledge of English and Russian is required. The successful candidate will be capable of producing high quality reports in both languages.  
A knowledge of diving/ROV operations would be advantageous.  
The position requires a willingness and capability to spend periods of up to 6 months on field secondment, uncompensated world-wide.

Seateam UK will offer an attractive remuneration package to the right candidate. Please apply in confidence, with a full CV to: Miss Karen Stubbfield, Seateam (UK) Ltd, Rosebery Court, St Andrews Business Park, Norwich, Norfolk, NR7 0HS, United Kingdom.

Written applications - marked STAFF CONFIDENTIAL - are required no later than 3rd July 1998

## INTERNATIONAL ORGANIZATION FOR MIGRATION (IOM)

IOM is an international governmental organization with 80 Member States and over 70 field offices worldwide, committed to the principle that humane and orderly migration benefits migrants and society. For its headquarters in Geneva, IOM is looking for a suitable candidate to fill the position of Chief, Public Information Activities. A detailed job description can be obtained from the IOM web site: <http://www.iom.int>

The successful candidate will have a university degree in Journalism, Marketing, Public Relations, International Relations or Political Science; minimum of 8 years professional experience in Public Relations, Journalism or related fields, as well as proven writing skills and excellent knowledge of English and French. Knowledge of Spanish will be an additional asset.

IOM offers an annual salary, net of tax, ranging between US\$73,840 and US\$87,220 plus an attractive benefits package. Applications from qualified female candidates are particularly welcome; only nationals from IOM Member States are eligible to apply. Qualified candidates should submit a detailed curriculum vitae, no later than 30 June 1998, to the Head, Staffing Unit, Human Resources Division, IOM, P.O. Box 11, 1211 Geneva 19, Switzerland.

## General Positions Available

WIT, ART PUBLISHING CO. seeks independent sales person for paintings/original graphics to galleries in German speaking countries. Permanent, mobile, requires marketing, resident Germany. Fax resume to AFG 49-611-30642

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## General Positions Available

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REUTERS-PR seeks assistant, Anglo-Saxon, for European human resources director, based Paris, 870 years experience in multinational head office. Free now. Tel: +33 (0)1 4504 1343. Fax 7110.

## General Positions Available

SAMPLE SHOP Ladies and children's wear apparel manufacturing facility in St Louis seeking experienced technical person to organize and manage a sample shop, handling large volume of styles, producing patterns and samples from sketches and specs provided by USA buyers. Excellent opportunity. Party USA for 212-882-1750, attention: Shirley.

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Seek women PA/secretary companion for divorced surgeon/physician, 50's. Must be attractive, single, like kids, free to travel, no drugs. Salary commensurate with skills. Tel: +62351-0204 FAX: 423091-5877. CV, recent photo: 3333 Byington-Solway Rd, Knoxville, TN 37931 USA.

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Salary 225-30k depending on experience.  
Applications with CV to 371 Winkfield Park Road, London, SW19 6PE.

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Responsible for sales/marketing activities for Germany, Switzerland, Austria, Scandinavia and Eastern Europe. Candidate will work with new and existing distributors, as well as with in-country reps to ensure that sales/marketing activities are carried out. Fluency in second language required. German is highly preferred. International sales and marketing experience in the high-tech field required. Must be willing to relocate to Europe. Submit your resume to: PowerQuest Corporation, attn: Doris, P.O. Box 1911, Orem, UT 84059 USA. Tel: 801-227-4088. E-mail: Doris@PowerQuest.com

## General Positions Wanted

MECHANICAL ENGINEER, multinational, 25 years experience in project work, planning of installations, supervising of installations & commissioning (mostly in paper & pulp mills overseas), stable job, looking for new challenges. For CV answer kindly to Paul Robinson, 31 rue Georges Brass, 67000 Strasbourg, France. Tel: +33 (0)5 5509 0033. Fax: +33 (0)5 5509 2288. Also temporary job accepted.

WRITER/EDITOR. Strong background international political & economic affairs (9 years OECD after journalism and Canadian diplomacy) - general interest (travel, science, culture). Seeks work freelance/part-time for all types of writing (including French to English). Mr. Jones, Paris +33 (0)1 39 02 35 85. E-mail: [malayn.jones@capway.com](mailto:malayn.jones@capway.com)

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The quality of this professional experience is just as important as your theoretical qualifications: nurse diploma, accident and emergency nursing diploma, anaesthetist nursing diploma, delivered by well known medical institutions in Europe or America.

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To be considered you must have the full range of secretarial skills with at least five years experience at a similar level. Together with French and English, German or Dutch will be an important asset.

A flexible approach to working hours and excellent communication skills are essential.

To apply send full CV and cover letter to EUROMESSAGES

78, bd de la République - 92514 Boulogne cedex

## THOMAS HERBECQ &amp; ASSOCIES

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## EDUCATION

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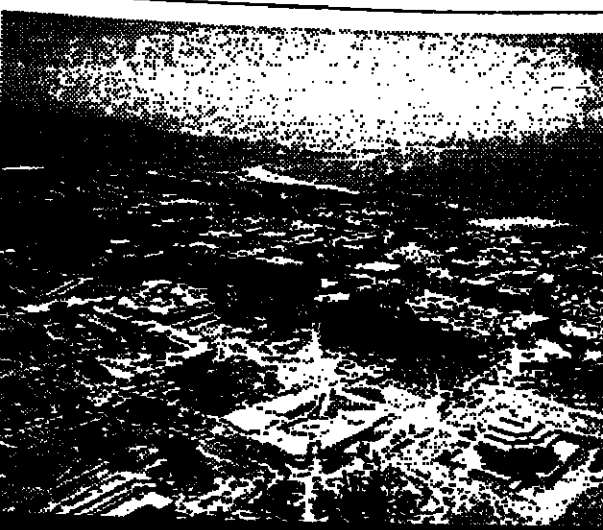
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# World Cup

ESSAY

## Trip Back In Time To 1890s Imperial Order On Parade Again

By John Vinocur

**P**ARIS — One little-noticed detail about this year's World Cup is that it takes place in the late 19th century. And this explains why soccer is such big stuff in Europe. It quite exactly replicates the order of the world when it ran on Paris/Berlin/London time.

Subliminally at least, the 1998 World Cup should temporarily right all the terrible things that have happened to the self-esteem of England, France, and Germany (and their notions of global hegemony) since Queen Victoria played soccer and the Kaiser took corner kicks for Prussia. Looking back a century, if European hearts would dare speak, they'd admit to hankering for a life now initiated only by soccer. The World Cup provides it writ large.

Look who's dominant, confident and ready-to-rule by the time of the final at the Stade de France: the old Big Three. Plus maybe the Italians, and just possibly the Dutch, both less bent on power projection over the years, but not immune now to a little glory.

Look who's not here, blissfully out-of-sight and out-of-mind, stewing silently in soccer's back of beyond: China and Russia.

And most of all, look who's present but non-imposing, forcibly modest, incapable of lecturing, leveraging or leaning, apprentices so effacing that the big European bosses almost don't need to remember their names: the United States and Japan.

Continued on Page 21

## The Field Where Dreams and Profits Can Soar

By Rob Hughes

**L**ONDON — The World Cup, a tournament almost unique in appeal to atheist and Christian, Jew and Muslim alike, is in danger of outgrowing its boots.

When the event opens with Scotland, a minnow, playing Brazil, the champion, at the Stade de France in Saint-Denis near Paris on Wednesday, it will start a World Cup bigger than before, more profitable, more entrenched in the winner-takes-all modern travesty. The marketing people say the best games will be watched by 1.2 billion, a fifth of mankind; and claim the cumulative television audience will total 37 billion over the 64-match schedule.

We must approach it with equal measures of stimulation and trepidation. I have never known a World Cup that does not fill the soul with at least one stirring example of the triumph of human spirit. There is the prospect of Nwankwo Kanu, 21, defying medical prognosis that two years ago forbade him ever to play again. Heart surgery repaired a faulty aortic valve; Kanu's determined spirit did the rest. He could resume as Nigeria's captain against Spain in Nantes on Saturday.

Kanu is one among 704 players at the finals, 22 for each of the 32 teams, which qualified from 200 nations. There are absent stars, such as George Weah of Liberia, Jari Litmanen of Finland and Ryan Giggs of Wales, whose homelands cannot build worthy teams around them. Yet the ever increasing size of World Cups, arising from the politics and promises of Joao Havelange, the president of FIFA, the governing body of world soccer, means there are places for nations which might otherwise be outsiders.

It is no bad thing that Havelange, 83, will step down on the eve of this tournament. But his expansionism — during his reign the World Cup has increased from 16 to 24 and now 32 teams — brings a meeting between two nations which until recently exchanged nothing but hostilities but now can use sport as a bridge: Iran and the United States meet in Lyon on June 21.

"Many people don't know who we are," said Mohammed Khakpour, a defender in Iran's squad. "People ask if I keep a gun or if I ride a camel. Now we have an opportunity to present our culture. We don't have any problem with the American footballers. This is a way to friendship, and to show we are good people." Good winners? Good losers? Or for diplomacy's sake, equals?

It is intriguing, and could be fun. So could the tournament if the ball, and trains, roll fairly. There will be 9,500 media and 2.5 million spectators for whom the cup could become a nightmare. France is suffocatingly accessible to armies of followers many times more numerous than the 10 stadiums can accommodate. We have seen the portents of



Jurgen Klinsmann of Germany outleaping Wilmer Cabrera of Colombia in a warmup game.

the ticket fiasco, we are forewarned about France's penchant for strikes, and we remain aware of the deadly virus of disruptive, sometimes orchestrated, hooligans.

This will be the playground for millionaires, the tournament for billionaires. Commercial spinoffs are expected to raise \$1.2 billion from 400 items of licensed merchandise. Television rights, fixed a dozen years ago, are a relatively paltry \$88.5 million, but in 2002 will exceed a billion dollars.

Tickets and corporate hospitality are worth millions more. Sponsors and their commercial rivals are playing games off the pitch. Adidas, the sport equipment manufacturer, is an official sponsor. Nike is not. Nike has built a theme park at La Defense, west of Paris. ISL, the company attempting to protect approved sponsors, has booked the park around the Eiffel Tower where Adidas will tout its wares. Nike, it is said, plans to direct a beam onto the tower, casting an illuminated image over the forbidden territory.

Nike's favored player, Ronaldo, the star striker for Brazil, speaks of attacking Just Fontaine's 1958 record of 13 World Cup goals. And like Plat, Ronaldo regrets nothing, not even the near blasphemous Pirelli advertisement depicting him in crucifix pose. Bad taste, apparently, is of no concern to a player or his handlers when his income exceeds \$10 million a year. Good taste, the French hope, will be demonstrated in the Yves Saint Laurent suits worn by referees and officials. But perhaps the most conspicuous uniforms will be the ominous outfit of the CRS, the French riot police.

As players pursue the 18-carat World Cup trophy, as the law stays watchful, as the marketers count profit, those aware of soccer's traditions await a shift in the balance of power. In the 68 years since the tournament began, only six nations have won the cup — Italy, Germany, England, Brazil, Argentina and Uruguay from South America. The rest is romance, the hope that someone will break new ground, as Nigeria did to win the Olympic soccer gold two years ago.

Could someone from the "wrong" continent triumph? Only once has the rule that Latin Americans win on their continent, Europeans over here, been broken. That was Pelé's first World Cup when Brazil won in Sweden 40 years ago.

Brazil could do it again. They embody, as always, skill and style. Yet Brazil has burdened coach Mario Zagalo with Zico as "assistant coach." Zico, a former great player, has no record as a coach or manager. If confusion weakens Brazil, Argentina, less gifted but tougher, could show that South American stars who play European clubs are acclimated to that continent.

So even if the Germans, as old as Methuselah but masters of tournament play, and the Italians make their experience count, the playing field is more even. I hope quality counts. I trust the referees will be consistent. And because it is sport, I hope for surprise. Scotland, in game one, will hope to set a trend by thwarting mighty Brazil. To do so, they must ignore the words of Tommy Docherty, a former team manager now a sage of the after-dinner set. "Scotland," he says, "will be home before the postcards."

ROB HUGHES is the sports correspondent of The Times of London.

## Ronaldo Chases Twin Goals

By Rob Hughes

**H**e was born the son of a caring mother and a hopeless, drug addict father. He learned soccer on the streets of Bento Ribeiro, a suburb of Rio de Janeiro. At 21, Nazario de Lima Ronaldo Luiz is worth an estimated \$7 million a year, after tax.

Simply known as Ronaldo, he is simply the best of 200 million soccer players on the planet. Exactly 40 years ago, another Brazilian, Pelé, blossomed at his first World Cup and became the master of the sport. Ronaldo's destiny is to follow that.

If you set out with a gene pool to design the ultimate player, he would come out pretty close to Ronaldo. You would look for a physique around six feet tall (1.83 meters), the musculature of a middleweight boxer, the speed of a sprinter, the gift to score goals with left or right foot or head as natural as the homing instinct in a pigeon.

You would want him to be a Brazilian because in that populous, multiracial land nothing matters more than the joy of the game. It consumes Brazil, irrationally. If you are born into wealth, then you may, like Ayrton Senna, have a license to become a god of the race track, from early manhood to premature death. But lower down the social scale, soccer is potentially the only way out.

What counts is ability and application. Color is not an issue. Pelé is black. Gerson, Tostao and Zico are white. Ronaldo, Galatão. Fortunately, he has his mother's good sense, her equitable temperament in getting on with life whatever it brings. He hasn't much formal education, but the way he handles stardom, indeed deification, and the way he plays his game make it clear there is sensitivity and intelligence there.

The whole world knows what he does. The best, sometimes the meanest, defenders know the route he will take to goal because it is generally the most direct. Knowing it and stopping it are different things. He is a relative baby in his calling, yet if we must accept Nike's monopoly of modern sporting greatness, he ranks up there with Michael Jordan in basketball, Tiger Woods in golf and Pete Sampras in tennis, all of whom are signed to Nike.

It is a can buy success. With that, inevitably comes ego. Ronaldo has declared that his aim is to attack the all-time record of 13 goals in a single World Cup, set in 1958 by Just Fontaine of France. The philosophy is uncomplicated: the record, like the mountain, is there to scale. To do it, Ronaldo would have to score more in one World Cup than Pelé did in four. He would double the leading total at any of the past six tournaments. The arrogance of youth tells Ronaldo he can achieve it.

"The single most important thing," he says, "is for Brazil to win the World



Ronaldo sharpening his form against Urrutia of Athletic Bilbao.

Cup again. But a team like ours makes six or seven chances every game, so I think Fontaine's record is possible."

Ronaldo has already proved that in any climate and in any team he is a goalscorer for all seasons. At high altitude in La Paz, in the depths of a Moscow winter, on carpet across the desert in Riyadh, he has done his thing. In the leagues of Brazil, the Netherlands, Spain and now Italy, he has netted 228 goals in 263 club games. For the national side, he has amassed 25 goals in 35 matches. No system has yet boxed him in, nor any kick deterred him.

Often when a prodigy grows, the tests come with a first love affair or with wealth beyond imagination. When Ronaldo moved from Barcelona to Inter Milan last year, he had both. With his sweetheart Susana Werner, he stayed in the suite previously used by Diana, Princess of Wales, at Milan's Principe Di Savoia hotel. Inter had paid the equivalent of 147 Ferraris to get him; Ronaldo's mother Sonia had once sold pizzas to feed him.

"I'm a calm person," he says. "I never feel like kicking someone — that's not football. If I have a problem, it is time."

Time for privacy, time to be young and foolish, time to count his medals or count his money. Time to be Ronaldo Luiz Nazario de Lima rather than Ronaldo "the most visible player in the world." Nike, the company that coined that phrase, owns a piece of him and dictates the schedule of Brazil's national team. Its priority is to commercialize both to the hilt, never mind that this might burn out the star. Three agents make sure Ronaldo's career never settles because moving on also moves up the profits.

He knows, and they know, there is no certainty that he can sustain the high life. As a teenager in Breda, he had knee surgery. As a young man, he has visited prisoners at Milan's San Vittore jail and walked among victims of the Foligno earthquake.

Those realities are set against the dream of outscoring every man who ever lived. "Ronaldo has so much natural ability, he can only get better and better," said Mario Zagalo, the Brazil coach. Zagalo played with Pelé, he works with Ronaldo. He sums up: "Ronaldo's speed on the ball, balance and dribbling are incredible. Yes, he can rewrite the record books."

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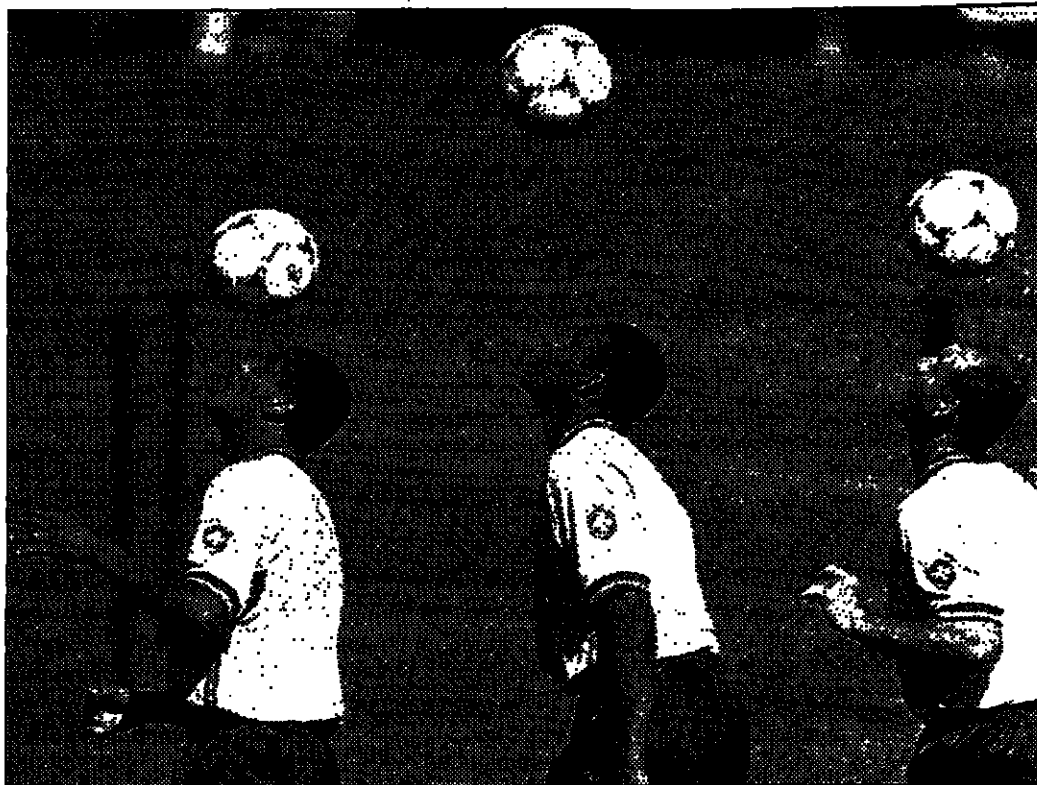
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## WORLD CUP / A SPECIAL REPORT



At left, Clarence Seedorf of the Netherlands evading Rigobert Song of Cameroon; center, Brazilians Rivaldo, Junior Baiano and Taffarel using their heads. At right, U.S. defender Tom Dooley tackling Scot Kevin.

# Strengths and Weaknesses of 32 Teams Chasing the Prize

By Rob Hughes

## Group A

**BRAZIL** Brazil has the talent not only to win the World Cup again, but to win it with more style than in 1994. The further Ronaldo, Rivaldo and Roberto Carlos go toward retaining the gold trophy of the Goddess of Victory holding the world aloft, the more joy they will bring to those who can suspend nationalism when they watch the game.

Listen to Franz Beckenbauer, who graced one German World Cup triumph and organized another: "The best striker at my club Bayern Munich is Elber. In fact, he's the best in the Bundesliga. Germany would love to have him, but his country Brazil doesn't need him. They have 10 to 15 forwards of such quality." So are the other 31 nations just playing for second place?

No. Soccer games are not won by artistry alone. Brazil is, as ever, flawed in defense. Goalkeeper Taffarel hasn't the safest hands. Fullbacks Cafu and Roberto Carlos attack so adventurously that they leave gaps. Midfield anchor, Dunga, is 34, and fighting injury.

**SCOTLAND** The first to challenge Brazil, at the Stade de France on Wednesday, Scotland has nothing to lose but honor. It was a Scot, Charles Miller, who first took a ball to Brazil — and Brits have labored the better part of half a century to win back the ball on the pitch.

Scotland has a chance if Brazil, as is its custom, is slow into its tournament rhythm. The Scots will harass and hound them and try to strike through Kevin Gallacher, a late-blossoming international of genuine pace.

Craig Brown, the coach, is an optimist whose forte is instilling teamwork and spirit that turn meager resources into a presentable whole. For Scotland, Brazil is the World Cup final.

**MOROCCO** Coach Henri Michel, once a redoubtable fighter for Nantes and for France, returns home with a score to settle. He was removed as the French trainer after leading his country to the 1986 World Cup semifinal in Mexico.

He is in his third year trying to splice his consistency, order and belief into North Africans, whose skills were decorous without being strong. The group is harsh, yet Michel thinks his players are strong enough for second place.

The talents are considerable: Nourredine Naybet, the sweeper; Mustapha Hadji, a midfielder with flair; and Salaheddine Bassir, who has 15 goals in 25 games for Morocco. As a youth in France, Hadji spurned the French Under 21 squad.

**NORWAY** Remarkably for a land of 4.4 million people, Norway sailed through to its second straight World Cup, scoring 21 goals against two as it went unbeaten in qualifying games.

Coach Egil Olsen was an individualist player, so naturally he organizes collective pragmatism. He is an academic, so Norway plays it without sophistication. It isn't always pretty, but it's hell to break down. High on morale, unstinting on work, Norway absorbs pressure and breaks with effect.

## Group B

**ITALY** Cesare and Paolo Maldini, father and son, coach and captain, hold Italy's destiny. Papa Maldini was six when Italy won the World Cup in France in 1938. Now, a pillar of wisdom, he affects tranquillity when surrounded by Italian neurosis. He has restored the customary Italian style: defensive claustrophobia, midfield industry, a touch of attacking flair.

The nucleus of the team played in 1994 when Italy reached the final. But the defense lacks Franco Baresi, who has retired, and Ciro Ferrara through injury.

**CHILE** The Italians would have prayed for a gentler first opponent than volatile Chile. Ivan Zamorano, who plays for Inter Milan, and Marcelo Salas, who will join Lazio of Rome after the cup, shared 23 goals in qualifying. But a defense that is indifferent to the safety of opposing forwards and a midfield that is industrious rather than inspired meant Chile barely qualified.

**CAMEROON** In 1990, Cameroon beat Argentina and gave England a fright. Who will forget the audacity of Roger Milla, or the undisciplined kicking that betrayed Cameroon then, and would be red-carded this time around?

Milla hoped to take charge when Cameroon fired the coach Jean Manga Onguene this year. Instead, Claude Le Roy, the Frenchman who charmed Milla and Co. eight years ago, is back.

"I don't think Cameroon has any chance," says Milla. "Everything has been chaotic. Le Roy is good at PR, but that's all."

Le Roy thinks his men have potential. They play in 11 foreign leagues, but have lost midfielder Marc-Vivien Foe, a key man for Lens as it won the French league. He has broken his left leg.

**AUSTRIA** Herbert Prohaska, the coach, squeezed qualification from an aging defense, marshaled by Wolfgang Feiersinger, an ordinary midfielder built to support Andy Herzog, and a strike force over-reliant on Toni Polster, 34.

Prohaska hopes opponents underestimate Austria, as they did the Czech Republic at Euro 96. More likely goalie, Michael Kolar, will be overworked.

## Group C

**FRANCE** Diligent coach Aime Jacquet has built a sound and athletic defense. He has flair in midfield. If only he could find a striker to turn opportunities into goals. Stephane Guivarch, prolific for Auxerre, will be given first crack. Much depends on whether home crowds lift or weigh down *les bleus*.

**SOUTH AFRICA** Another French coach, Philippe Troussier, is on a mission to undermine his homeland.

"After the anthems and the hype," he says, "it's just 11 against 11. Things will be quite volatile. The French will be unsettled and vulnerable."

Troussier has wandered Africa for a decade. He has coached the Republic of South Africa only since March 1.

South Africa has done well in the African Nations Cup, winning in 1996 and reaching the 1998 final, more impressive in attack than defense.

**SAUDI ARABIA** Coach Carlos Alberto Parreira is on a seven-month secondment to King Faisal's national team. He rates his No. 10, Saeed Al-Owairan, as a potential star of this World Cup.

In 1994, Al-Owairan scored an extraordinary solo goal against Belgium to help the Saudis reach the second round. Parreira was otherwise occupied: coaching his own country, Brazil, to the cup.

Parreira declined to continue to bear the weight of coaching in Brazil, where the skills are finest but pressures are commensurate. Al-Owairan had little option. He was tempted by foreign offers, which the Saudi government didn't like, and was locked away for six months, forbidden to play soccer for 18 months, after being caught drinking alcohol during Ramadan. Al-Owairan is feeling his way back, linking with tricky center forward Sami Al-Jaber, and praying all is forgiven at France 98.

**DENMARK** It can be all-or-nothing for the Danes. In 1986, the only other World Cup it qualified for, Denmark crushed Uruguay, 6-1, but then lost, 5-1, to Spain. In 1992, the Danes came off the beaches to replace Yugoslavia when it was barred from the European Championship — and won the event.

The Danes have lost only once in two years but there are potential problems. Michael Laudrup, the star attacker, questions how his 34-year-old body will



Sabri Jaballah of Tunisia getting to grips with Austria's Martin Amerhauser.

cope, and the shadow of Spain, always a knockout for Denmark, looms in the second round.

## Group D

**SPAIN** When will Spain reign? One defeat in 32 matches since the last World Cup — and that on a farcical, frosty night at the opening of the Stade de France — shows how difficult Javier Clemente's team is to beat.

Yet at the big event, some mental failing makes Spain inferior. Clemente instills Basque tenacity and his own unfulfilled desire as a player chopped down before his prime. But Spain's club season, the longest season in Europe, saps the players' strength.

**NIGERIA** The players are African, but hardened world citizens to a man. There is no league too good or too strong for Nigerians, and no reason other than internal indiscipline why potential shouldn't be harnessed to World Cup semi-final status.

In 1994, Nigeria came within three minutes of eliminating Italy. It lost concentration, lost sight of Roberto Baggio who equalized, then won the match in extra time. The 1996 Olympics reversed this. Nigeria came from behind to beat Brazil, then Argentina, for the gold.

Inevitable squabbles over bonuses between enriched players and ministry minions will not help. Maybe Bora Milutinovic, the Serb who coached Mexico to the 1986 quarterfinals, Costa Rica to round two in 1990, and the United States to the same stage in 1994, will work his short-term spell again.

**PARAGUAY** Paraguay has already achieved a triumph of faith over tiny resources by qualifying. Two men share the acclaim: Jose Luis Chilavert, the domineering, demonic but disarming goalkeeper, and Paulo Cesar Carpegiani, the quiet Brazilian coach who somehow suffered Chilavert and organized the rest of a modest bunch into a sum greater than the parts.

Chilavert is almost as brilliant as he says he is. He scores goals from penalties and free kicks, spits in the eye of opponents, and hits journalists and politicians alike. He was banned for four matches after sparking a brawl with Colombia: Paraguay lost three of those

games and conceded seven goals, the same number Chilavert let in during 12 qualifiers.

In this group, Paraguay may not go far, but don't dare tell the goalie.

**BULGARIA** Hristo Stoichkov, Krassimir Balakov, Emil Kostadinov and Trifon Ivanov must do their best to end their era honorably. They were the key men as Bulgaria reached the 1994 semi-finals with marvelous appetite and technique. But they have aged together and no adequate replacements have emerged. It is their last shot together and up to them how much they are willing to sweat to qualify from a fierce group.

## Group E

**NETHERLANDS** Will the Dutch be the sum of their exciting individual parts? They have the balance of experience and youth, the technique and athletic strength to be among the favorites. The skill is there, the doubt is team spirit.

The group opponents should not worry the Dutch, the battle lies within. Edgar Davids, the catalyst, or the victim, of disharmony that destroyed the Dutch in Euro 96 is back. His combative style might be needed in midfield, but Cus Diddik, the studious coach, has laid down that neither racial intolerance nor another squabble between young and old cliques will be tolerated.

**BEELAND** Tough, experienced and thoroughly organized, Belgium would be content to play second fiddle again to its Dutch cousin because second would mean a place in the next round.

Georges Leekens, the coach, is a realist. "If we get anything from the first game against Holland it will be a bonus," he says. "Our most important game is Mexico."

**SOUTH KOREA** The transition from Asia, where South Korea qualified with ease, to the wider world is both a test of technique and mental strength. Cha Bum-Kun, the coach, was the first Korean in the German Bundesliga, where he scored 98 goals in 308 games from 1979-89. With his air force background, he likes discipline and can hurt feelings with brutal home truths.

He blends the nucleus of the 1994 side, which creditably held Spain and Bolivia to draws but went three down to

Germany before rallying with two late goals, with young players to graduate for 2002.

**MEXICO** After firing Bora Milutinovic, the Mexicans are now unhappy with the new coach Manuel Lapuente. His restless changes, his search for new faces and young talents bewildered and irritated impatient fans. In goal, Jorge Campos remains colorfully clad but, alas, no taller. In midfield, all hopes lie with Luis Hernandez carrying the team forward. The Hombres lack a scorer of the caliber of the retired Hugo Sanchez and even round two may be too far.

## Group F

**GERMANY** Bertie Vogts' Old Boys are champions of Europe. Germany has a history of success and always paces tournaments well, yet this team looks over the hill. There are eight old campaigners in the starting 11 and another four over-30s in the squad. Experience counts, but the sum of it adds up to too many years.

Recalling Lothar Mathaus, 37, rankles with Jurgen Klinsmann, the captain who is a mere 33. "No one pretends they are best friends," said Vogts, "but I asked Jurgen to name an alternative. There aren't any."

**USA** Three successive World Cup qualifications mark America's progress, but the group is tough. The coach Steve Sampson admits: "Making the second round would be a remarkable achievement. We simply have to take three points off Iran."

Don't bank on it.

The United States plays its own physical style with three at the back, six midfielders, and one willing soldier, Brian McBride, up front. There is a big danger of red cards for disputing too many calls.

**YUGOSLAVIA** Banned under UN sanctions from soccer in 1992, Yugoslavia returns with skills that revive thoughts that they are the closest thing in Europe to Brazilians.

The cliques that divided old Yugoslav teams give way to nationalistic fervor that should carry this team to the quarterfinals at least. Individual quality abounds: the sweeper Sinisa Mihajlovic loves the ball as much as any playmaker, the midfielder Vladimir Jugovic conquered Europe with Juventus, and Predrag Mijatovic, quick and cunning, swooped to score the goal that took Real Madrid to the European Cup. And Dejan Stankovic, 19, could be better than any of them.

**IRAN** America beware! When the force is with them, the German-based Iranian trio — Khodadad Azizi, Karim Bagheri and Ali Daei — believe nothing is beyond them. That is why, perhaps, they have higher ambitions than simply beating the United States.

"Now I'm looking forward to playing against Thomas Helmer and Jurgen Kohler," said Azizi. "I scored for Koln against them when we met Bayern Munich and Borussia Dortmund."

## Group G

**ROMANIA** Romania is another team banking on age and experience. Anghel Iordanescu, a coach of military thoroughness and religious zeal, will step down after the tournament. In 1994, he gave flair players, George Hagi, Daniel Munteanu, Gica Popescu, Dan Petrescu, Marius Lacatus and Ilie Dumitrescu, freedom within a tactical plan and they reached the quarterfinals. They are older now, slower, and sometimes ill-disciplined. But they are pedigree players. If they raise their game, watch out England, Tunisia and Colombia.

**COLOMBIA** Who can tell what mood the Colombians will bring? They have breathtaking flair, streaked with spite, a passion for the game ruined by murder. Carlos Valderrama, 36, his midfield

accomplice, Freddy Rincon, loping striker Faustino Asprilla. But violence hangs over the No. 2 shirt last worn at a by Andres Escobar, who was in Medellin after scoring at passes to Ivan Ramiro Cordoba, the son of a bank manager, a quiet town near the Andes. Most safe homecoming.

**ENGLAND** The old count Shearer, a scoring force, a Owen, an 18-year-old of sn waiting on the bench. But it discards the incomparable Ian Paul Gascoigne's depressive run-down body cost him his in turn, fueled another dist break of public hysteria as drunk on soccer hype, through cathartic. Wall someone famous is unmanageable.

The defense is shaky, an other playmaker, it is hard to serve England's attack. A populace is in an all-or-nothing mood.

**TUNISIA** In the heat of afternoon, Tunisia may not comfortable opening game. England has a great Hristo Kasperczak, Tunis coach. "But we have a his own." Twenty years ago, I came the first African side match at the finals, beating M. It also held West Germany, squeezed out, 1-0, by Poland. The wheel turns but, being man (or a cagey one), the

"We are a hard team to be ineffectiveness up from a football," he said. "They think a lot of talent but little discipline. One day the pupils masters." He has Nigeria, Tunisia, in mind.

## Group H

**ARGENTINA** Argentina beat 0, in Rio de Janeiro in a war and now a nation believes it World Cup again. Gabriel Batistuta returned and surpassed the 37 was Diego Maradona's natural record.

The defense has a hard lacks. Add Argentina's adapt unity and a relatively easy, you have a team with ambitious tournament.

**JAPAN** Takeshi Okada, comes to France with his future. Like South Korea, he not only of 1998 but also of the two nations host the World Cup.

He dropped the veteran star Miura, a 31-year-old who had goals in 86 internationals.

Hidetoshi Nakata, 21, the of young Japan, is as eye-c his ground skills as his eye-c and watch for a young dia teenager Shinji Ono, if he field chance.

**JAMAICA** Reggie Boyz s Lens on June 14. It is Reggie's core of English professionals made the final squad — at Samba influence. Rene Scurry from Brazil, mixes philosophical lessons and romantic no.

"We are not coming to advertise tourism," he said. His friends think otherwise go to France," they said, already world champions in There you will be demoralized.

**CROATIA** Without the injury Boksic, the burden will fall on Davor Suker and Goran Vlaovic. Croatia will be the surprise World Cup," pledges Miroslav.

"We have great technical all corners of the field."

If the mood is right, quarter a realistic prospect.

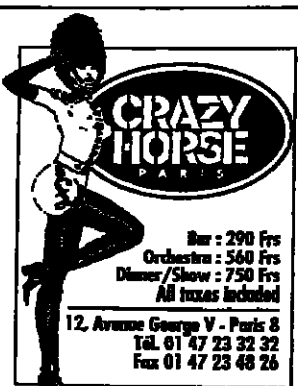
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According to the TVRS (Television Radio Service), the following countries and broadcasters will be televising, with their own commentators, the World Cup final from France 98. Please consult local listings for the time and day of the telecast.

**ASIA/OCEANIA**  
Australia: SBS  
China: CCTV  
Hong Kong: ATV, TVB  
Indonesia: ANTV, RCTV, SCTV, TVRI  
Iran: IRIB  
Japan: NHK  
Korea: KBS, MBC  
Malaysia: RTM  
New Zealand: TVNZ  
Philippines: ABS-CBN  
Singapore: STV  
South Korea: KBS, MBC  
Taiwan: CTS  
Thailand: 5TV  
Turkey: TRT

**AFRICA**  
Algeria: ETV  
Cameroon: CRTV, Canal+  
Cote d'Ivoire: Canal+  
Egypt: ERTU  
Ghana: Ghana TV  
Ivory Coast: Canal+  
Kenya: KBC, NBS  
Liberia: LRTV  
Mali: RTM  
Morocco: M2M  
Nigeria: NTA  
Senegal: Canal+  
South Africa: SABC  
Tanzania: ERTV, SABC, Canal+  
Togo: Canal+  
Tunisia: ERTV, SABC, Canal+  
Zambia: ZBC

**SOUTH AMERICA AND CENTRAL AMERICA**  
Argentina: Canal 7, Canal 13  
Brazil: JBS, JBS, JBS  
Chile: Canal 7, Canal 13  
Colombia: Canal 2, Canal 4  
Costa Rica: Canal 2, Canal 4  
Cuba: Canal 7, Canal 13  
Ecuador: Canal 2, Canal 4  
El Salvador: Canal 2, Canal 4  
Guatemala: Canal 2, Canal 4  
Honduras: Canal 2, Canal 4  
Jamaica: Canal 2, Canal 4  
Mexico: Canal 2, Canal 4  
Nicaragua: Canal 2, Canal 4  
Panama: Canal 2, Canal 4  
Paraguay: Canal 2, Canal 4  
Peru: Canal 2, Canal 4  
Uruguay: Canal 2, Canal 4  
Venezuela: Canal 2, Canal 4

**NORTH AMERICA**  
Canada: Channel 4/5N  
United States: ABC, ESPN



صكرا من المرحون



WORLD CUP / A SPECIAL REPORT

# France's 'Foreign Legion' Hopes Hour of Glory Has Arrived

By Christopher Clarey

PARIS — Wines and designs are not the only French products in demand as the 20th century draws to a close. French soccer talent is a popular export as well.

Look in any direction. East to Italy, where Zinedine Zidane is the creative spark and Didier Deschamps the defensive heart of the Juventus midfield. South to Spain, where Christian Karembeu scored crucial goals for Real Madrid in its run to the Champions' League final. North to England, where Arsenal's French coach Arsene Wenger and his French and other foreign recruits have just won the Premier League title and FA Cup. Or west to the United States, which last month expedited the naturalization of a defender, David Regis, who wasn't considered good enough for France's national team.

France figured out how to modernize its system of player development in the '70s and '80s," said Wenger, "and now it is reaping the rewards."

But can France reap the ultimate reward? Like the modern Olympics, soccer's World Cup was the brainchild of Frenchmen. But France has never reached the final of the event Jules Rimet and Henri Delannay essentially launched in 1930. France has not even qualified for the final phase since 1986, when Michel Platini and his strong supporting cast finished third in Mexico.

Platini has made the leap from playmaker to deal-maker; he is co-president of France's World Cup organizing committee and the potential right-foot man of Joseph Blatter, who is bidding to become president of FIFA, world soccer's governing body.

Gallie ambition is not confined to Platini. When Aime Jacquet, the French coach, announced he would resign after the World Cup, he said: "On July 13, I will say good-bye after having done a victory lap the night before in the Stade

de France; after the French team has been crowned champion."

Those were bold words from a man known for caution but the French prefer bold to boring.

Last summer Jacquet was quoted as saying that "at the highest levels, the idea of beautiful soccer is utopian." Recently he has changed his tune even as he attempts to address a weakness in attack. The strikers he has favored lately — Auxerre's Stephane Guivarc'h; and 20-year-old David Trezeguet of Monaco — have plenty of talent but little international experience.

"We can win and be spectacular," Jacquet said in May. "I now have more offensive weapons at my disposal. I just can't afford to misuse them otherwise I will get buried by the press."

The slender, self-made son of a butcher, Jacquet was not supposed to be France's supreme leader for the most important soccer tournament in its history. It took a stunning collapse to give him the chance.

With two qualifying matches remaining before the 1994 World Cup, France needed only to beat relatively weak Israel or draw with Bulgaria to secure its spot for the United States. Furthermore, both matches were in France. Before Israel's visit, French newspapers reported that coach Gerard Houllier already was discussing a contract extension.

Against Israel, Houllier's team surrendered a 2-1 lead in the final 10 minutes and lost. Against Bulgaria, the score was tied at 1-1 when, with only seconds remaining, Emil Kostadinov scored. The next morning, the French newspaper Liberation ran the headline: "France Qualifies! For 1998!"

Those failures cost Houllier and the president of the French soccer federation, Jean-Fournet Fayard, their jobs



Zinedine Zidane holding off Franky Van der Elst of Belgium in a pre-World Cup match.

and presumably some sleep. Jacquet, who had spent nine largely successful seasons coaching Bordeaux, was named interim coach, but he became a fixture as France embarked on a record-setting, 30-match unbeaten streak. The streak ended against Denmark in September 1996, but two months earlier in the semifinals of the European Championships, France was eliminated by the Czech Republic on penalty kicks after a scoreless draw that was an accurate reflection of Jacquet's defensive-minded approach.

Platini's generation lived up to its reputation as "the Brazilians of Europe." The current generation has Zidane, Djorkaeff and several other creative midfielders capable of playing in the Platini tradition. But, lacking

strikers, Jacquet packed his team with hard-marking midfielders for Euro 96.

What mattered more to Jean-Marie Le Pen, the leader of France's far-right party, the National Front, was that Jacquet's team did not look French.

"It's a bit artificial to bring players from abroad and call it the French team," Le Pen said during the European championships.

That comment drew quick condemnation and a quick clarification from Le Pen's party, which said he meant only to complain that foreign players had been naturalized quickly to make them eligible. This was wildly inaccurate, but what is true is that France's rainbow soccer coalition reflects both recent immigration patterns and the far-flung places — French Guiana, New Caledonia and the Caribbean islands of Guadeloupe and Martinique — that remain French territories or departments.

Our team gives you a sense of the socio-cultural mix that is France today," said goalkeeper Bernard Lama, who was born in Guiana and came to mainland France when he was 18.

Marcel Desailly, the powerful AC Milan defender, was born in Ghana; Karembeu in New Caledonia; Lilian Thuram, Trezeguet and Zidane were all born on the French mainland, but Thuram's mother is from Guadeloupe; Lamouchi's parents from Tunisia; Trezeguet's from Argentina, where he spent much of his youth, and Zidane's from Algeria (they are Kabyles). Djorkaeff's mother is Armenian and his father Jean of Polish and Kalmuck descent.

Jean Djorkaeff also played soccer for France, proof that diversity is hardly new on this national team. Platini, after all, was the son of Italian immigrants, and Raymond Kopa, another French great, was of Polish descent. For the most part, France's team, like the nation it represents, has been more melting pot than mosaic over the years. The only member of the current group to break ranks has been Karembeu, who advocates independence for New Caledonia and has left little mystery about where his allegiance lies.

What is most striking about this generation of French players is not the color of their skin, nor their varied origins. It is their willingness to embrace expatriation anew. The Bosman ruling in 1995, which ushered in an era of American-style free agency in Europe, has led to an exodus from France, where high taxes and low television and gate receipts prevent clubs competing with offers from Spain, Italy and England.

It is conceivable that 10 of the 11 players who start against South Africa on Friday will be under contract with clubs outside the country.

But dispersion does not necessarily hurt the French team's chances this summer. Most of the French stars have improved away from home, particularly Zidane who grew up in Marseille's 16th arrondissement, a hardscrabble place, and is now one of the game's finest players and creators.

"A genius," Jacquet said. "Since going to Italy, he's had to be at his best every weekend and has taken on a new dimension. He's well aware now of what he's capable of, and we're hoping that he can give back to our team what our team has invested in him. With him, we can win the World Cup."

France is a contender, but it needs the support of the fair-weather home fans.

"The Frenchman is always critical, so critical that he criticizes himself," Jacquet told France Football magazine. "The Frenchman is often negative, too, seeing beauty elsewhere but not at home. However, when a big event comes along, when national pride is at stake, he is there. That's what assures me. It will be up to us on the field to deserve that support."

"In Italy, we don't go on the field to play well but to win," said Deschamps. "The mentalities are different. The French fans will always like a 3-3 game better than a 1-0 victory."

Not everyone in France is convinced "les bleus" can gain victory. "Les guignols de l'info," a satirical television show, has been roasting Jacquet for years. This spring Jacquet's character told his team, "Let's practice to get ready for the final." Several players started making telephone calls. "What are you trying to do?" Jacquet's character asked. "Get a ticket," they answered.

CHRISTOPHER CLAREY is the sports correspondent of the International Herald Tribune.



Youri Djorkaeff of France trying to outwit Belgian defender Philippe Leonard.

## Imperial Order Survives

Continued from Page 19

Long live the 1890s! And throw Brazil, Argentina and Nigeria into the mix as accomplished former colonies who have learned their lessons well, and speak proper European languages.

More to the point: the World Cup not only reverts the global family to a 19th-century hierarchy, but it also refuels that era's not-so-nice commonplaces. Where else does petty nationalism get such a long day in the sun? The French find losing to the somehow comic Belgians pure ignominy, while a French defeat by the Germans is considered part of the honorable course of things; the Norwegians, whose independence came in this century, are just pleased to be invited along for the party, but will bleed as one man in order not to get beaten by the once-imperial Danes.

There's virtually no part of the real world of 1998 where stereotypes and racially tinged subtexts can get as much free rein as they will in descriptions of the World Cup's 30 national teams. The comments won't come near the level of the late 19th century, when racism rose to the level of a pseudo science, but African sides are certain to be characterized as athletic but undisciplined, the Spanish passionate but short on finishing power, and the Americans willful but crude.

When it comes to talking about players with natural rhythm, more instinct than tactical sense, God help us if Jamaica plays Brazil.

But there is also a vein of deep Schadenfreude out there. In the manner of voyagers from Europe's cultural heartlands who set out for America and Japan late in the last century to document their harshness and failings, commentators will delight now in explaining why these two have failed to master this sport

cherished by the rest of the world.

In the case of the Americans, they will be informed that soccer's patience and endurance, nuanced skills and low scores, go against their deepest nature. No quick fixes here, no bursts of violence, no yield in extravagance: how could the Yanks ever get good at this game that is so unlike them?

In the 19th century, German and French visitors to the United States wrote of its "mongrel crowds" and the inherent tensions that soon enough would break the country apart. Now, the problem, as seen from Europe, will be described as sociological — "soccer moms" and the American middle-class alleged expropriation of the sport, leaving it without organic roots in the working and under classes where soccer is supposed to have its psychic home.

Alongside this kind of thinking, phrenology seems like rocket telemetry. But such junk will flourish over the life of the tournament, and be made to apply to the Japanese too. They will be turned (again) into hopeless copyists, manufacturers of a tiny imitation of the genuine article. Soccer by rote, the analyses will say of the Japanese, condemned, in perpetuity, like the Americans, to missing its essence.

The galling thing here is that in all probability the World Cup will imitate a world pecking order that is no more, notions of grandeur gone from this century, and likely from the next as well. The fact is, when the politicians in suits fill the best seats for the final, they'll almost certainly be watching a mirror image of the old order on parade — and winning the cup too.

So: Let's go Paraguay! You can get 'em Tunisia! Come on Cameroon!

JOHN VINOCUR is the International Herald Tribune's senior correspondent.



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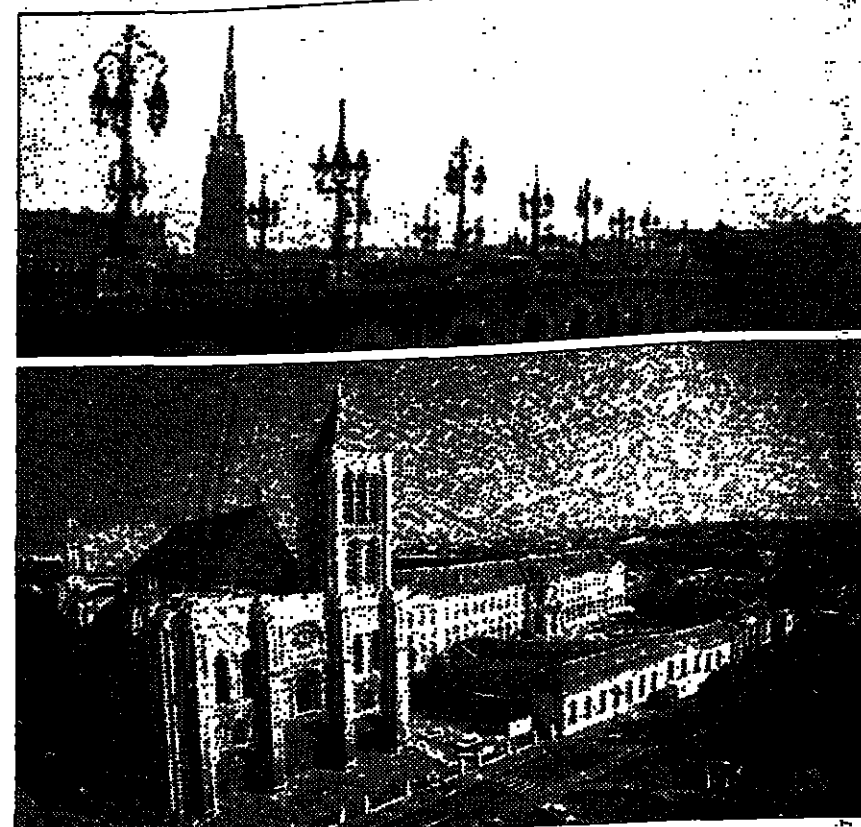


## WORLD CUP / A SPECIAL REPORT



## WORLD CUP SCHEDULE OF MATCHES

GROUP A	GROUP B	GROUP C	GROUP D	GROUP E	GROUP F	GROUP G	GROUP H
Brazil Scotland Morocco Norway	Italy Chile Cameroon Austria	France South Africa Saudi Arabia Denmark	Spain Nigeria Paraguay Bulgaria	Holland Belgium South Korea Mexico	Germany U.S. Yugoslavia Iran	Romania Colombia England Tunisia	Argentina Japan Jamaica Croatia
10 June Brazil vs. Scotland, St. Denis, 4:30 P.M. Morocco vs. Norway, Montpellier, 8 P.M. 16 June Brazil vs. Morocco, Nantes, 8 P.M. 23 June Scotland vs. Morocco, St. Etienne, 8 P.M.	11 June Italy vs. Chile, Bordeaux, 4:30 P.M. Cameroon vs. Austria, Toulouse, 8 P.M. 17 June Chile vs. Austria, St. Etienne, 4:30 P.M. Italy vs. Cameroon, Montpellier, 8 P.M. 23 June Italy vs. Austria, St. Denis, 3 P.M. Chile vs. Cameroon, Nantes, 8 P.M.	12 June Saudi Arabia vs. Denmark, Lens, 4:30 P.M. France vs. S. Africa, Marseille, 8 P.M. 18 June S. Africa vs. Denmark, Toulouse, 4:30 P.M. France vs. Saudi Arabia, St. Denis, 8 P.M. 24 June S. Africa vs. Saudi Arabia, Bordeaux, 3 P.M.	24 June Spain vs. Bulgaria, Lens, 8 P.M. Nigeria vs. Paraguay, Toulouse, 8 P.M.	13 June South Korea vs. Mexico, Lyon, 4:30 P.M. Holland vs. Belgium, St. Denis, 8 P.M. 20 June Belgium vs. Mexico, Bordeaux, 3:30 P.M. 25 June Holland vs. Mexico, St. Etienne, 3 P.M. Belgium vs. South Korea, Paris, 3 P.M.	21 June Argentina vs. Jamaica, Paris, 3:30 P.M. Japan vs. Croatia, Nantes, 12:30 P.M. 25 June Argentina vs. Croatia, Bordeaux, 8 P.M. Japan vs. Jamaica, Lyon, 8 P.M.	1. AFT 16 27 June 1 Winner A vs. Runner-up B, Paris, 8 P.M. 2 Winner B vs. Runner-up A, Marseille, 3:30 P.M. 3 Winner C vs. Runner-up D, Lens, 3:30 P.M. 4 Winner D vs. Runner-up C, St. Denis, 8 P.M. 5 Winner E vs. Runner-up F, Toulouse, 8 P.M. 6 Winner F vs. Runner-up E, Montpellier, 3:30 P.M. 7 Winner G vs. Runner-up H, Bordeaux, 3:30 P.M. 8 Winner H vs. Runner-up G, St. Etienne, 8 P.M.	30 June QUARTERFINALS 3 July A Winner 1 vs. Winner 4, Nantes, 8 P.M. B Winner 2 vs. Winner 3, St. Denis, 3:30 P.M. C Winner 5 vs. Winner 8, Marseille, 3:30 P.M. D Winner 6 vs. Winner 7, Lyon, 8 P.M.
SEMI-FINALS 7 July 1 Winner A vs. Winner C, Marseille, 8 P.M. 2 Winner B vs. Winner D, St. Denis, 3:30 P.M.	SEMI-FINALS 8 July 3 Winner 5 vs. Winner 8, Marseille, 3:30 P.M. 4 Winner 6 vs. Winner 7, Lyon, 8 P.M.	SEMI-FINALS 11 July 5 Winner 1 vs. Winner 4, Nantes, 8 P.M. 6 Winner 2 vs. Winner 3, St. Denis, 3:30 P.M.	SEMI-FINALS 11 July 7 Winner 5 vs. Winner 8, Marseille, 3:30 P.M. 8 Winner 6 vs. Winner 7, Lyon, 8 P.M.	SEMI-FINALS 11 July 9 Winner 1 vs. Winner 4, Nantes, 8 P.M. 10 Winner 2 vs. Winner 3, St. Denis, 3:30 P.M.	SEMI-FINALS 11 July 11 Winner 5 vs. Winner 8, Marseille, 3:30 P.M. 12 Winner 6 vs. Winner 7, Lyon, 8 P.M.	SEMI-FINALS 11 July 13 Winner 1 vs. Winner 4, Nantes, 8 P.M. 14 Winner 2 vs. Winner 3, St. Denis, 3:30 P.M.	SEMI-FINALS 11 July 15 Winner 5 vs. Winner 8, Marseille, 3:30 P.M. 16 Winner 6 vs. Winner 7, Lyon, 8 P.M.



At top, a bridge in Bordeaux; at bottom, the basilica of Saint-Denis.

## When Not at the Games: A Mini Guide to 10 Host Cities

BARRY JAMES of the *International Herald Tribune* writes about what to do, and PATRICIA WELLS, the IHT's food critic, looks at the best places to eat.

## Bordeaux

Bordeaux was already a great commercial city in Roman times. Its position at the heart of the rolling wine-producing lands of Aquitaine and its extensive trade links with the New World created a fabulously wealthy bourgeoisie that turned Bordeaux in the 18th century into one of the most elegant and cultivated cities of Europe. Suburban mansions, civic buildings and theaters rise behind an 8-kilometer (5-mile) crescent of quays along the broad estuary of the Garonne River.

Bordeaux's most illustrious mayor was the Renaissance humanist, Michel de Montaigne. His present-day successor is the former prime minister, Alain Juppé. Its ancient university, renowned for theology, law, medicine and the arts, produced not only Montaigne but also the jurist and political philosopher, Montesquieu.

While the wine trade, with an annual production of about 500 million bottles, is the most important industry, Bordeaux has branched out into high-technology sectors such as pharmaceuticals, biotechnology, aeronautics and space. For the World Cup, the city has set up a festival village to show off the region's varied cuisine, artisanal production and culture. For a month, 15 typical local lands, known as *bandes de l'Aquitaine*, will perform in the streets and at open-air balls in the evening.

To see: The Aquitaine Museum. The best place to learn about the history, archaeology and industry of Bordeaux and its region. Musée d'Aquitaine, 20 Cours Pasteur, Bordeaux; tel.: 05 56 01 51 00.

## WHERE TO EAT

La Tupina, 6 Rue Porte de la Monnaie, 33000 Bordeaux; tel.: 05 56 91 56 37; fax: 05 56 31 92 11. Closed Saturday lunch, Sunday, and holidays. Hands down, this is one of my favorite bistros in the world. Jean-Pierre Kiradakis knows what customers want: a bit of romance, a lot of history, a touch of stage set, and a lot of flavor. Whole chickens roasted over an open fire, dense fries cooked in goose fat, fat grilled beef steaks, and lots and lots of well-chosen Bordeaux to wash it all down. Menus at 260 and 270 francs (\$45). A la carte, 250 to 300 francs.

For more than a century, Lens lived off coal. The collapse of mining that started in the 1960s left the region studied with conical mountains of slag and spurred the modernization and diversification of industry. The town, which dates back to Roman times, has a history of coming back from disaster. It was completely destroyed in World War I and substantially damaged in World War II. Today, Lens is a thriving center for small and medium-sized companies, specializing in high technology, food-processing, building and distribution.

With a population of 35,000, Lens is the smallest of the World Cup hosts, but it is one of the most avid soccer towns in France. The local team, the Racing Club de Lens, annually attracts many more spectators than Lens has inhabitants.

With neighboring towns, it plans a rich program of cultural events, including street fairs, a flower market and processions with giant carnival figures. To see: The Canadian Memorial at Vimy Ridge. One of the most moving testimonies of World War I, it preserves the trenches and tunnels of the front lines and offers a magnificent view toward the flat lands of Flanders. A word of caution: stay on the paths, since the area still contains unexploded munitions. On the N17 highway between Lens and Arras; tel.: 03 21 48 72 29.

## WHERE TO EAT

A l'Huitrière, 3 Rue des Chats Bos-sus, 59000 Lille; tel.: 03 20 55 43 41; fax: 03 20 55 23 10. The lively old town section of Lille includes many restored

storefronts, including this combination fish shop and restaurant, where you will be sure to sample delicate grilled sardines, mounds of meaty steamed mussels, and fresh Saint-Pierre, or John Dory. Closed Sunday evening and holiday evenings. A 260-franc lunch menu. A la carte, 350 to 490 francs, including service but not wine. For outdoor markets in Lille, visit the Marche Place du Concert on Wednesday, Friday and Sunday mornings, and the Marche Place de la Nouvelle Avenue on Tuesday, Thursday and Sunday.

## Lyon

Lyon, the ancient Roman capital of the Gauls, matches an illustrious history with a dynamic modern industrial and technological economy.

It is reputed to be the gastronomic capital of France, with fine restaurants and innumerable small bars and bistros known as "*bouchons*."

The Lumière brothers invented cinema here in 1895, and their achievement is celebrated at the Institut Lumière, one of the nearly 30 museums in the city. Lyon has one of Europe's leading opera houses, and is a center of dance and the contemporary arts.

Lyon was both the heart of the anti-Nazi resistance in World War II and the regional center for the German Gestapo. The old center of the city contains one of the best-preserved Renaissance quarters in Europe. Lyon was a major textile center, reputed for its fine silk. Industries today include metallurgy, electronics, pharmaceuticals, biotechnology, food-processing and plastics.

To see: The museum of the Resistance. A sensitive evocation of life in France during the Vichy regime and under German occupation, the museum is built in the former headquarters of the Gestapo. Centre d'Histoire de la Résistance et de la Déportation, 14 Avenue Berthelot (near the Perrache railroad station); tel.: 04 72 73 33 54.

## WHERE TO EAT

León de Lyon, 1 Rue Pléney, 69001 Lyon; tel.: 04 78 28 11 33; fax: 04 78 39 89 05. A classic grand bistro that spans the ages, this is one of Lyon's best-known traditional restaurants with the energetic Jean-Paul Lacombe at the helm. Try the earthy local pork sausage with lentils and potatoes, roasted suckling pig (*cochon de lait*), and drink a fruity Châteauneuf du Rhône or a white Saint-Véran. A 290-franc lunch menu, including service but not wine. A la carte, about 450 francs.

Le Nord, 18 Rue Neuve, 69002 Lyon; tel.: 04 72 10 69 69; fax: 04 72 10 69 68. Open daily. The famed Paul Bocuse goes brasserie with his restored, 1907 Le Nord, where refreshing Belon oysters, moist roast chicken, a refreshing green salad and state-of-the-art crisp, golden fries can be savored in an atmosphere that is sparkling, bustling and chic. A 120-franc menu. A la carte, 160 francs.

Café des Fédérations, 8 Rue du Major Martin; tel.: 04 78 28 26 00. Closed Saturday and Sunday. Yardlong sausages hang from the ceiling, platters of creamy St. Marcellin cheese weep on the counter, the 1940s black wall phone rings incessantly. This is THE authentic bistro of Lyon, with thick salads of salty poached pork roast, cured pork sausages, Lyonnaise "*caviar*" (actually flinty, dark green lentils), not to mention hearty portions of *boeuf bourguignon*; platters of black boudin blood sausages and a cool Morgon Beaujolais to wash it all down. A 116-franc lunch menu. A la carte, 140 francs. Reservations essential.

## Marseille

Marseille was an established city at the time of the ancient Olympic Games. The World Cup is the curtain-raiser for the city's celebration next year of the 2,600th year of its foundation.

A historic meeting point between northern Europe, the Mediterranean and the Levant, Marseille is sparing no effort to make the World Cup a success. Apart from the purely soccer-related events, it is hosting a cultural festival, and a street fair around the old port with music and dancing through the night. It has set up a center on the Prado Beach where young people can play sports, listen to music and watch World Cup matches on a large screen.

City leaders hope that the World Cup, followed by the anniversary celebrations, will throw a spotlight on their attempts to turn Marseille around after a period of economic recession. An am-

bitious program of urban renewal, with the old port as its center, is under way. It includes the restoration of beautiful but crumbling buildings, the building of a new university and the creation of theme shopping streets, such as the recently opened avenue devoted to the fashion industry.

To see: The cinema museum, especially for fans of Vincent Scotti, Marcel Pagnol and Fernandel. Musée Provençal du Cinéma, 64 Rue Joliette; tel.: 04 91 90 24 54.

## WHERE TO EAT

Chez Fonfon, 140 Vallon des Auffes, Corniche J.F. Kennedy, 13007 Marseille; tel.: 04 91 52 14 38; fax: 04 91 59 27 32. Closed Sunday evening. The *bouillabaisse* trail begins in the old port and my favorite spot for downing this fisherman's soup is Chez Fonfon, an authentic fisherman's bistro. Fonfon himself — the big, jovial Alphonse Mounier — will greet you at the door, ready to serve you a glistening fish soup, starting with a vermillion red *soupe de poissons* (the preliminary broth), then a procession of fish, filleted tableside. About 220 francs, including service but not wine.

Restaurant Vieux Port New York, 7 Quai des Belges, 13100 Marseille; tel.: 04 91 33 60 98. Open daily. This bustling brasserie along the old port is a great place for enjoying the sun or people-watching. Try *tomorrow*, or cod baked with onions, tomatoes and black olives. About 160 francs.

## Montpellier

Nostradamus and Rabelais studied at its university, and the medical school at Montpellier is the oldest of its kind in Europe. Its law school, dating from 1160, is even older. Pilgrims halted in the city on their way to Santiago de Compostela, and it was an important medieval trading center for salt and spices.

It belonged to Catholic Spain for two centuries, and then having turned Protestant under the Renaissance king, Henry IV, it was drawn into France's bitter 16th-century war of religion.

Today, Montpellier is one of France's youngest and most rapidly growing cities, with an acclaimed center for science and research and three universities with 65,000 students.

With Barcelona, it is also one of the leading cultural centers on the Mediterranean, with a philharmonic orchestra, two operas, a concert hall for rock music, the national center for choreography and numerous music and arts festivals.

The city is famed for its elegant mansions and the 17th- and 18th-century Promenade de Peyrou, which offers views across fertile fields to the Mediterranean.

Montpellier is the capital of the Languedoc-Roussillon region, renowned for its wines and its gastronomy.

To see: The botanical gardens, founded by Henry IV in 1593, are the oldest and among the loveliest in France. Institut de Botanique, 163 Rue Auguste Broussoulet; tel.: 04 99 23 21 80.

## WHERE TO EAT

Le Jardin des Sens, 11 Avenue Saint-Lazare, 34000 Montpellier; tel.: 04 67 72 13 05; fax: 04 67 72 13 05. Closed Sunday. The twin brothers Jacques and Laurent Ponceau have taken this city by storm. With a third covered Michelin star this year, they are sure to continue to attract a hungry clientele. Some of the top local specialties include *loup de mer*, or sea bass, cooked with artichokes, white wine and fresh coriander. They are famed for their elaborate desserts, including a granité of fresh orange juice married with thyme, red fruits in a jelly of rose wine with spices. A 190-franc lunch menu. A la carte, 340 to 550 francs.

## Nantes

The World Cup coincides with another major event in Nantes this year, the celebration of the signing by Henry IV 400 years ago of the Edict of Nantes. It was the first legal document to recognize freedom of conscience and brought an end to the wars of religion.

Louis XIV revoked the edict less than a century later, an act that coincided with the start of the slave trade, which formed a shameful part of the city's maritime history. The ships that took slaves to the New World brought back sugar, spices, tobacco and other goods that made the city prosperous, while

local industry churned out trinkets and textiles to trade for the slaves.

Today the wealth of the city is based on marine engineering, computing, food-processing and other high-tech industries.

The birthplace of Jules Verne, the ornithologist John James Audubon and the statesman Aristide Briand, Nantes is celebrating the World Cup with style. An old biscuit factory has been turned into a cultural center and meeting point, while the presence of the Brazilian team has inspired city fathers to create a replica of the Copacabana beach in the heart of the old town.

To see: The Jules Verne museum. Science fiction as our great grandparents imagined it. Complete the visit by seeing the planetarium nearby. Musée Jules Verne, 3 Rue de l'Herminette; tel.: 02 40 69 72 52.

## WHERE TO EAT

L'Auberge Bretonne, 2 Place du Guesclin, 44100 La Roche Bernard (73 kilometers from Nantes); tel.: 02 99 90 60 28; fax: 02 99 90 85 00. Closed all day Thursday and Wednesday lunch. The talented chef, Jacques Thorel, offers some of the region's most original and finest fish, including simple Breton lobster, turbot roasted with bone marrow, and the traditional Breton buttery pastry, *kouign amann*. Menus from 210 to 610 francs. A la carte, 430 to 590 francs.

Castel Marie-Louise, 1 Rue Andrieu, 44500 La Baule (79 kilometers from Nantes); tel.: 02 40 11 48 38; fax: 02 40 11 48 35. Open daily. A grand hotel-restaurant along the Atlantic where specialties include a *variante* of fresh oysters, sorbet from sheep's milk yogurt with a blackberry coulis; and the delicious dry Muscadet wines that are perfect with fish and shellfish. Menus from 220 to 480 francs. A la carte, 280 to 570 francs.

## Paris

The World Cup has been planned to showcase the different regions and cultures of France, but Paris plays a key role at the heart of one of the world's biggest sporting events.

It plans a monthlong party to entertain not only soccer fans but also the hundreds of thousands of visitors that are expected to come to France for the cultural activities surrounding the World Cup. Even if they are headed to the other cities where matches are taking place, most of the visitors will spend at least part of their stay in the capital.

The city will be the host for visitors attending matches at the new sports stadium in neighboring Saint-Denis.

An international media center has been set up in the exhibition center at the Porte de Versailles to cater to more than 9,000 journalists from all over the world who have been accredited to cover the World Cup.

With some 21 million visitors annually, officials predict the city and the surrounding Ile-de-France region should have no difficulty in absorbing the influx.

To see: The National Museum of Popular Arts and Traditions. Of the scores of museums in and around Paris, this is one that tourists often miss. It surveys 1,000 years of anthropological and cultural history in France. Musée National des Arts et Traditions Populaires, 6 Avenue du Mahatma Gandhi, Paris 16; tel.: 01 40 17 60 00.

## WHERE TO EAT

Some of the best, quick spots for dining day or night are the city's wine

bars. Here are two of my favorites:

Willi's Wine Bar, 12 Rue des Petits-Champs, Paris 1; tel.: 01 42 61 05 09. Closed Sunday. The outgoing, experienced Mark Williamson holds court here in this bright, airy wine bar where the best of the Rhone can be found. Try whatever the man behind the bar suggests, whether it is a fruity, pleasing young Cotes du Rhone, a more sophisticated Hermitage or a fruity Tavel. Order the *plat du jour* and enjoy.

An Sauvignon, 80 Rue des Saint-Pères, Paris 7; tel.: 01 45 48 49 02. Closed Sunday. This is the most chic wine bar in Paris, with a carefree, often self-conscious crowd, there for the *tartines*, or open-face sandwiches, on Poilane bread, washed down with a glass or two of Bourguignon, Muscadet, or Puligny Montrachet. There is no hot food served here, only assorted platters and sandwiches of cheese or meats; particularly welcome when time is limited and your stomach is doing the talking.

## Saint-Denis

An industrial suburb north of Paris within sight of Montmartre, Saint-Denis is an ancient city of contrasts. The kings, queens and dauphins of France slumber in the vaults of its basilica, but the modern city is Communist-run, working-class with a high proportion of immigrants, and dynamic.

The Stade de France, the 80,000-seat soccer stadium built for the final of the World Cup, stands at the heart of an ambitious program of urban renewal, including two new rail stations, an enlarged Metro stop and a network of new roads.

The stadium will be the scene of the opening and closing ceremonies of the World Cup and nine matches, including the final. The city government sees the occasion as a chance to show the world that Saint-Denis is not just an appendage of Paris, but a vibrant community with its own social, economic and cultural life, including a little-known wealth of art and architecture.

Saint-Denis is setting up a World Cup village as a meeting place and center for cultural and musical events. The mayor has sought to involve its ethnically varied population in the planning and running of events surrounding the World Cup. They will include a monthlong street carnival that coincides with the city's annual musical/theater/dance festival, running from June 11 to July 12, which will feature Barbara Hendricks and Mstislav Rostropovich, among others.

To see: The air and space museum at Le Bourget. Just to the north of Saint-Denis. It contains more than 250 flying machines from the first wire-and-string contraptions to today's spacecraft. Le Bourget airport; tel.: 01 49 92 71 71.

## WHERE TO EAT

Two great spots for dining near Saint-Denis include the authentic, old-time wine bar Chez Serge, 7 Boulevard Jean-Jaures, 93400 Saint-Ouen; tel.: 01 40 11 06 42. Here the owner Serge Cance is sure to offer a great *bavette d'aloyau aux échalotes* (seared flank steak showered with shallots), *daurade* (or porgy) sprinkled with the fine "flower of salt" from Brittany's Guerande peninsula, *blanquette de veau*, *mousse au chocolat* and pitchers of delicious Châteauneuf du Rhône.

At Coq de la Maison Blanche, 37 Boulevard Jean-Jaures, 93400 Saint-Ouen; tel.: 01 40 11 01 23; fax: 01 40 11 67 68; the owner Alain Francois con-

tinues to uphold the tradition of this combination *bistro/brasserie* restaurant. Lamb shoulder is cooked on the spit, served with a mix of green beans and white; the *jambon persillé* (parsleyed ham in gelatin) is worth the detour all on its own. For wine, choose from the worthy selection of Bordeaux. A 180-franc menu. A la carte, 210 to 360 francs.

## Saint-Etienne

Saint-Etienne is the cradle of the Industrial Revolution in France. A gritty, working-class city, it has always been dominated by small family firms.

It rose to prominence in the 15th century as an arms manufacturer, first of swords and knives and later of firearms. In the middle of a coal-mining region, Saint-Etienne became a center of heavy engineering in the 19th century. The first rail line in France was built there in 1827, and its factories churned out everything from finely engraved locks to bicycles.

The city has a vigorous cultural tradition, with an annual book fair, excellent theaters, and museums dedicated to modern art, arms manufacturing, industry and mining.

To mark the World Cup, Saint-Etienne has built an international village in the heart of the city, where musical, theatrical and other cultural events will be staged throughout the tournament.

To see: The modern art museum, the second in France after Paris. Musée d'Art Moderne, La Terrasse, Saint-Priest en Jarez; tel.: 04 77 79 52 52.

## WHERE TO EAT

Auberge des Cimes, 43290 Saint-Bonnet-Le-Froid (52 kilometers from Saint-Etienne); tel.: 04 71 59 93 72; fax: 04 71 59 93 72. When the star chef Pierre Gagnaire left Saint-Etienne for Paris, he left a great void in the region. My favorite table is just a short drive from the city of Saint-Etienne, in the tiny village of Saint-Bonnet-le-Froid. For well over a decade, the chef, Régis Marcon, has been working his magic with fresh, local ingredients, including incomparable wild mushrooms, an emphasis on fresh mountain herbs, and some 30 dishes that feature the flinty local lentils from nearby Le Puy. A 160-franc weekday menu. A la carte, 250 to 320 francs.

## Toulouse

Toulouse, a city of rose-colored bridges and red tiles, dates back more than 2,000 years, but it is also one of Europe's most advanced high-technology centers — the home of the Airbus consortium, the space satellite industry, computer and software companies and traditional industries such as food-processing, textiles and building.

The 17th-century Canal du Midi, a UNESCO world heritage site, underlines the geographical importance of Toulouse, midway between the Mediterranean and the Atlantic. The city was a pioneer in opening air links to Africa, North and South America and the rest of the world.

It is France's second university city after Paris with 100,000 students, about a quarter of its total population. It possesses a number of noteworthy art museums, theaters and concert halls.

To mark the World Cup, Toulouse is turning the Garonne River, which flows through its center, into the heart of its festivities, including a spectacular floating parade and pavilions featuring local folklore and cuisine. River boats will ferry spectators from the city center to the Ile du Ramier, where matches are being held.

To see: The Augustins Museum, with its exceptional collection of paintings and sculptures. Musée des Augustins, 21 Rue de Metz; tel.: 05 61 22 21 82.

## WHERE TO EAT

Brasserie des Beaux Arts, 1 Quai de la Daurade, Toulouse; tel.: 05 61 21 12 12; fax: 05 61 21 14 80. Open daily until 1 A.M. If you love beautiful old Art Deco restaurants, you will love the Brasserie des Beaux Arts, where such specialties as *osso buco* of monkfish, Provençal eggplant caviar and traditional profiteroles of chocolate keep the crowds coming back for more. Menus at 112 and 153 francs. A la carte, 190 francs.

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## SPORTS

## Victory Gallop Wins at Belmont

By Joseph Durso  
New York Times Service

ELMONT, New York — The Triple Crown slipped away from Real Quiet in the final strides of the Belmont Stakes when he was run down and beaten by a nose by Victory Gallop, the horse who chased him home in both the Kentucky Derby and the Preakness. The winning margin was the smallest ever that denied a Triple Crown.

The race Saturday was the 130th Belmont Stakes and the most dramatic in 20 years, since Affirmed defeated Alydar by a nose and became the 11th horse in racing history to sweep the Triple Crown. And for the second year in a row, fate foiled Bob Baffert on the threshold of completing his sweep of the Triple Crown.

Last year, Baffert's colt Silver Charm lost the Belmont to Touch Gold by three-quarters of a length. This year, Baffert's Real Quiet was nipped by Victory Gallop and became the 14th horse to surrender the crown in the Belmont. And in one of those twists of fortune, Silver Charm's losing jockey, Gary Stevens, was the winning jockey this year on Victory Gallop.

"It hurts to come this far and not win the Triple Crown," said Kent Desormeaux, who rode Real Quiet in the Kentucky Derby, the Preakness and the Belmont. "I felt as though I touched victory. And it was gone."

Baffert took his second straight loss of the crown with resignation. "He ran a great race, but got tired at the end," Baffert said. "I'm getting closer. Silver Charm by three-quarters of a nose. Real Quiet by a nose. It's sad."

Real Quiet was undone by the rigors of winning three classics in five weeks and by the distance of the third, which stretches for a mile and a half.

At the head of the homestretch, Real Quiet made his famous move, just as he did while winning in Kentucky and Maryland. He even opened daylight on his 10 pursuers, and with a quarter mile to go he had four lengths on Victory Gallop.

But the race was far from finished. Victory Gallop, a son of Cryptoclearance, who won the Arkansas Derby last month, cast his shadow on Real Quiet, who was starting to wobble from fatigue. Then they were nearing the finish line racing shoulder to shoulder as Real Quiet struggled to hold his edge. But he lost the final bob of the head by Victory Gallop as they crossed, six lengths in front of Thomas J.

Afterward, the stewards delayed the result until they examined films of the race. They reportedly were checking to see if Real Quiet had veered into his rival's path, and they reportedly would have stripped him of the victory if he had won it.

Victory Gallop ran his mile and a half in 2:29 flat, paid \$11.60 for a \$2 bet and

went home with \$600,000 and redemption. The race was run on an afternoon of resplendent sunshine and cool breezes at Belmont Park, the traditional scene for the finale of the Triple Crown, and it was run with the crowd pushing toward last year's remarkable turnout of 70,682, the largest to watch a horse race in New York in 20 years and the third largest to watch one at Belmont Park.

## High-Rise Triumphs in Derby

High-Rise, with Olivier Peslier aboard, won the English Derby, beating City Honors by a nose with third place to Border Arrow, The Associated Press reported from Epsom, England.

High-Rise, an unbeaten colt, was a 20-1 favorite Saturday in the mile-and-a-half race with City Honors 12-1 and Border Arrow 25-1. Sunshine Street, an outsider that led for much of the early going, finished fourth at 150-1.

For Peslier, it was the talented French jockey's fourth ride in the English Derby and his first victory. He was the first French rider in 35 years to win England's most important flat race.

The favorites in the 15-horse field all faltered, including Cape Verdi, who was trying to become the first filly since 1916 to win this race.

Cape Verdi was an 11-4 favorite but finished ninth. Also back in the pack were other pre-race favorites like Greek Dance (fifth), Second Empire (eighth), and King of Kings (15th).



Victory Gallop, foreground, nipping out Real Quiet in a photo finish to win the Belmont Stakes on Saturday.

## Battle Lines Form for FIFA Election

The Associated Press

PARIS — On the eve of the FIFA presidential election, Lennart Johansson lined up his chief backers from around the world Sunday and confidently predicted he would beat his opponent, Sepp Blatter, to take the helm of world soccer's governing body.

"I'm very confident of victory," said Johansson, a Swede who is president of the European soccer federation, UEFA, showing off a long table of stars and dignitaries that included Pele of Brazil.

Blatter, who is FIFA's general secretary and the choice of the outgoing president, Joao Havelange, claimed Friday that he had enough votes to win.

Johansson's supporters included high-ranking officials from FIFA's executive committee and the chiefs of some continental confederations. The

vote Monday, however, will be cast by 192 national federations, and the question remained whether the clout of Johansson's backers would rub off on those voters.

"My troops will be aligned" for Johansson, said Issa Hayatou, head of the African confederation, seen by many as an indicator of how the election will go.

"For Blatter, it's over," said Antonio Matarrese, UEFA's first vice president.

England and France have said they will vote for Blatter, but most other European countries are expected to vote for Johansson.

Many Asian supporters were confident that the majority of their federations would vote for Johansson.

Johansson said that if he wins he will remove Blatter from the post of FIFA's secretary general.

Apart from Pele, who has no official

position in any federation, the Americas were not represented at Johansson's table, indicating that those federations might be Blatter's strongest power base in the vote.

Pele, who has long had an acrimonious relationship with Havelange, described the president's 24-year reign over world soccer as dictatorial.

"If you trust me, then you can also trust Lennart Johansson, and I would therefore ask you to vote in his favor," Pele said in an open letter.

Johansson promised a tough fight on the voting procedures Monday. While Havelange prefers secret balloting in booths, with only the head of each federation knowing how his country voted, Johansson wants each federation chief to vote in full view of other representatives from his country.

"We will do our utmost to make sure the congress does not result in a mess," Johansson said.

## Westwood Captures English Open by 2 Strokes

The Associated Press

WARE, England — Lee Westwood, encouraged by his improved putting stroke, won his second straight European Tour event Sunday, a 2-stroke victory in the English Open.

The Englishman, a 25-year-old Ryder Cup player, finished 17-under at 271 after shooting a 4-under-par 68 in the final round. Ole Karlsund of Sweden, who shot 66, and Greg Chalmers of Australia, who had a 69, wound up tied for second after 72 holes at the Marriott Hanbury Manor course.

"It has just clicked recently and I'm holding a few punts, which I wasn't before," said Westwood, who reached the top of the European money list for the first time in his career.

Westwood, who a week earlier won the TPC of Europe in Hamburg, is 40-under par over his last eight tournament rounds. He led Chalmers by one shot after 54 holes, then trailed by 2 strokes with 11 holes left in the final round.

But Westwood birdied four of the next six holes, dropped a 30-foot (9-meter) par-saving putt on the 16th, then got home safely with pars on the final two holes.

On Saturday, the left-handed Chalmers shot a course-record 61 to climb into contention.

## Fred Goes Into a Funk

Holding a third-round lead that was as large as 5 strokes, Fred Funk faltered on the back nine Sunday while Stuart

Appleby closed with a flourish to pull within one stroke of the lead at the Kemper Open, The Associated Press reported from Potomac, Maryland.

"I had a chance to separate myself a little bit there when I got to 14-under," said Funk, who made two bogeys over the final five holes and shot a 71 to rest at 12-under-par 201. "Now it's going to be a shootout." Appleby shot a 69 for the day.

Funk's even-par round after being two under for the day through 11 holes also let a lot of other players back into the tournament. Chris DiMarco made a bogey on the last hole and was at 203.

Tommy Tolles, the sweet swinger whose game has suddenly gone sour this year, was three strokes back at 204.

## Ulrich's Appetite for Racing Returns

International Herald Tribune

CHAMBERY, France — "Two or three more bravest, Herr Ulrich? Seconds on the sauerbraten? Another slice of nusstrute, Herr Ulrich? Again some schlag on your coffee?"

The answer in every case appears to have been affirmative.

As the first German to win the Tour de France, Jan Ulrich, 24, was heavily in demand last winter on the rubber schnitzel circuit. "Heavily" is indeed the word. By the time Ulrich had downed his last dumpling and begun preparing for the bicycle racing season, he weighed about 10 kilograms (22 pounds) more than his usual weight of 73 kilograms.

It showed, too. "Did you see Ulrich in any of his early races in Spain?" a rival was asked recently. "See him?" the rider echoed. "You couldn't miss him."

Compounding the German rider's problems was a series of illnesses this winter, which kept interrupting his training and then his racing. By the end of April, the situation so alarmed the French sports newspaper L'Equipe that it devoted a full page to the unfolding calamity.

Of the first nine races on his program, the paper noted, he had quit four, been unable to start two and finished three in 78th, 97th and 134th places. In contrast to the year before, when he had already raced 36 days for a total of 5,528 kilometers (3,435 miles), he had put in 24 days for a total of 3,484 kilometers.

Laurent Jalabert, the top-ranked rider in the world, was quoted as saying that to see Ulrich trailing the field provides a rather pathetic image of a Tour de France winner. Laurent Fignon, twice the winner of the Tour, accused Ulrich of lack of professionalism and called his conduct "inadmissible." Jean-Marie Leblanc, the di-

## Cycling / SAMUEL ABT

rector of the Tour, said his attitude was "unworthy of a Tour winner."

The editorial package included a photograph of Ulrich that resembled Bibendum, the Michelin man, on a bicycle.

Enough. Sweating off the sweat in Spain, where he has raced almost exclusively this spring, and in a three-week training program in the Black Forest, Ulrich is rounding into form and beginning to get some results.

When the German arrived with his Telekom team in Chambery for the one-day Classique des Alpes on Saturday, he was fresh off a second place in the time trial in the Tour of Castille-Leon and a third place overall. There is still some poundage hanging over his belt buckle, but his face is once again lean.

"Maybe now we have to deal with three kilos too much," said Rudy Pevenage, 44, a Belgian who serves Telekom as assistant director sportif and Ulrich's confidant and spokesman. Ulrich himself gives one and all the same interview about his weight, his condition and his goals — "Nein," which, while rich in nuance, does not survive translation.

Pevenage is unworried, he insisted. "It's still five weeks to go to the Tour, and in five weeks three kilos is no problem. He's now at a very good level — 80 percent, maybe 75 — and after these five weeks, he'll be at 100 percent. I'm sure."

How had Ulrich managed to put on so many pounds during the winter? Did nobody from Telekom management keep an eye on him as he traipsed from banquet to banquet?

"It's not so easy," Pevenage said. "It's easy," he corrected himself, "but I can't treat him like a kid. The problem was that Jan finished his season in

September and then he likes to eat and he likes to live like everybody else for two months every winter. In those two months, he likes to get rid of his stress."

"The winter before, he gained 10 kilos but nobody saw it because he had no illness at the beginning of the season and could race the weight off. But this year, three times he had to fight a bad illness: once with his ear and two times, bronchitis. So he had to interrupt his schedule and couldn't lose his kilos like the winter before."

Not to worry, Pevenage said. "He'll be ready for the Tour. His form is coming."

Confirming that, Ulrich rode a good Classique des Alpes. On the third of seven climbs, the race exploded on the Col du Granier.

As the first attack developed, who was that but Ulrich leading the pack in the chase up the long ascent? Wearing his jersey of the German national champion, he looked as comfortable as he did when he was finishing second and then first in his first two Tours de France.

By the finish of the 181-kilometer race in Aix-les-Bains, only 47 riders of the 136-man field were left. Jalabert, who rides for the ONCE team, won in sprint, beating Francesco Casagrande, an Italian with Cofidis, and Benoit Salmon, a Frenchman with Casino.

Ulrich was in the main chasing group behind the three leaders. He finished 14th in the same time as nine others: 1:44 behind, and looked strong.

On Sunday, he left to reconnoiter some of the nearby alpine climbs that the Tour de France will pass over late in July.

As he said in a rare public comment last month: "I'm more and more optimistic about the only day that counts for me — the start of the Tour."

## SCOREBOARD

## BASEBALL

## MAJOR LEAGUE STANDINGS

## AMERICAN LEAGUE

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## CENTRAL DIVISION

## WEST DIVISION

## NATIONAL LEAGUE

## EAST DIVISION

## CENTRAL DIVISION

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SPORTS

# Jordan's Flock Heeds Gospel: Never Give In

By Selena Roberts  
New York Times Service

CHICAGO — Over the years, Michael Jordan's congregation has listened to him without nodding off or picking up a pen. Time has passed, and a message has seeped into their souls: Never give in.

So when the preacher needed to be saved in Game 2, when Jordan was weary and worn, it was Steve Kerr and

## NBA FINALS

Bennis Rodman, Ron Harper and Toni Kukoc, who found a way. Their efforts helped even the NBA finals with the Jazz in the four-of-seven series that headed back to Chicago for Game 3 on Sunday night.

Jordan has kept the faith in his team. It did not matter that the Bulls entered Game 2 on Friday night down, 1-0, to the Jazz, or that they had lost four out of their last six playoff games, dating to their seven-game series with Indiana.

Through his tired eyes, Jordan continued to search for hope amid the negatives. Before Game 2, he was more upbeat than downcast. But was that just a cover for his anxiety?

"I've been confident all along," Jordan said after struggling in the fourth quarter but nevertheless finishing Game 2 with 37 points. "I may have been laughing and joking and changing my mood, but that didn't diminish my confidence. I think a lot of people have said things about our physical tiredness, or whatever, but our mental toughness is there."

"You don't become five-time champions without having some type of mental advantage," he added. "I think right now, we are mentally strong to defend what we have. Physically we may not be as much more physically gifted team, but our mentality counts for something. I don't think that should ever be overlooked."

Amen. You could almost hear the Bulls say it. Game 2 was over and they had accomplished something few thought they could. They took a home game from Utah at the raucous Delta Center, winning 93-88.

"It was a very important game for us," said Scottie Pippen, who contributed 21 points and started off the game right by attacking the rim with repeated layups. "We didn't think we were going to come in here and lose two games. Everyone in the locker room was upbeat, and we just had to do what we had to do."

They started doing it the moment the

Bulls saw the flare Jordan sent up. He was floundering out there in the final three minutes as he missed an easy layup and followed that up with a flat 12-footer that bounced off the rim.

On that last shot, Jordan was panting and became a struggler as Jeff Hornacek streaked ahead to hit a three-pointer. The Jazz had the lead with 1 minute, 46 seconds left in a Game 2 that looked bound to be turned into another dissection of Jordan's fourth-quarter fatigue.

"Jeff hit the big 3 and I think we went back to the huddle and everyone was quiet and focused," Kerr said. "We came back out and took control."

They did it just like Jordan had taught them to do. Whatever it took. As it has in the past, the auxiliary unit suddenly kicked in for Chicago. Fresh power. There was Kerr, saving his own rebound off a missed three-pointer and then whirling it to an open Jordan for the finish and the foul. The three-point play with 47 seconds left gave the Bulls the lead.

"You look at that play Steve Kerr made," Hornacek said. "It looked like two or three guys jumped at him when he shot that three-pointer, and he gets the rebound. I have to get him, and he dumps it to Michael. They get a three-point play."

Kerr made the overt impact. But others contributed, as well. Rodman, with his head painted like a tortoise, popped out of his shell. After playing 11 minutes in the first half without a rebound, he jump-started himself.

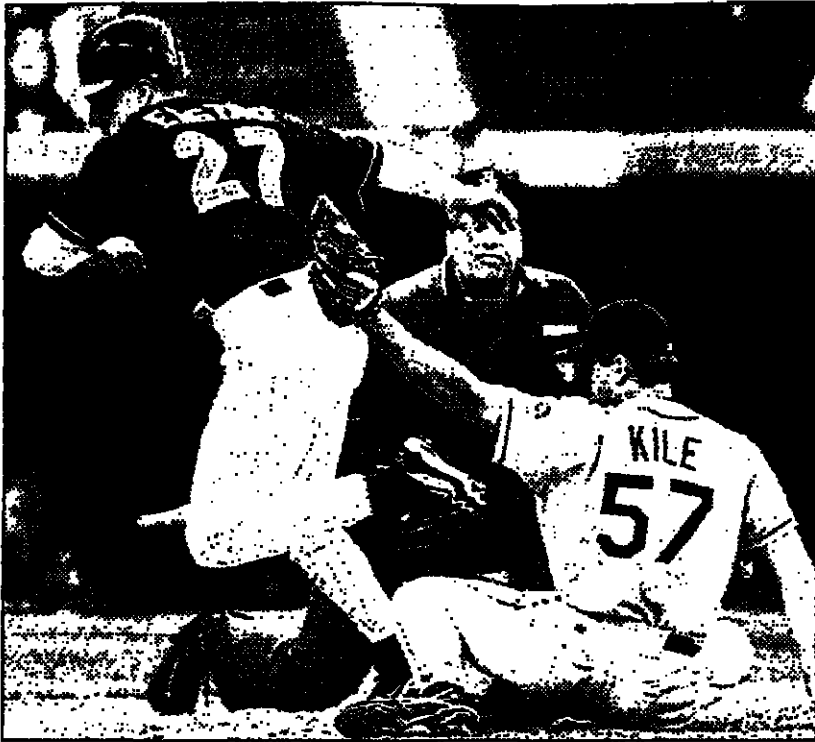
Rodman threw a few elbows and got a little wicked. In the end, after several key rebounds, he smiled a sly grin as he hugged the ball off yet another Karl Malone miss. Now add to this a key steal by Toni Kukoc, plus another steal by Ron Harper, and it allowed Jordan to sit back and breathe for a minute.

"I think there's no question that Michael is wearing down a little bit," Kerr said. "We've seen it in both games of this series. We have to help. The Jazz have a great bench and a lot of scorers. We know we're going to get outscored, but to make a few plays in the game and help our cause, that's all we can do."

The Bulls take their cue from Jordan. If he doesn't give in, they don't give in.

If he's optimistic, they are optimistic. "I feel confident," Jordan said. "I'm going to enjoy this moment because it may not happen again. This may be the last time, the last dance, whatever. That's my mood from now on."

Jordan has spoken. The congregation surely took note.



Darin Erstad of the Angels stealing home past the Rockies' Darryl Kile in Anaheim. The Angels triumphed over their National League foe, 2-1.

# Osgood to Get His Shot

Wings' Goalie Girds for Stanley Cup Finals

The Associated Press

DETROIT — Chris Osgood was on the bench when Mike Vernon led Detroit to the Stanley Cup last season. Now, he's The Man for the Red Wings.

Detroit, having advanced to the finals for the third time in four years by eliminating the Dallas Stars in six games with a 2-0 victory Friday night, will open the best-of-seven championship series Tuesday against the Eastern Conference champion Washington Capitals at Joe Louis Arena.

Last year, Osgood watched as Vernon, who now plays for San Jose, went 16-4 during the playoffs, leading the Red Wings to their first Stanley Cup in 42 years. Now it's his turn to give it a shot.

"Seeing what goes on for the two weeks and seeing the team play and being part of it, you can't replace it," Osgood said, referring to last year. "I'll use that for the next series."

The Red Wings had a 31-26 shot edge in Game 6, adding to Dallas's frustration Friday by opening the scoring with a short-handed goal, their second of the series. With a few seconds left in Kris Draper's roughing

penalty, Larry Murphy beat Ed Belfour with a backhand at 6 minutes, 20 seconds into the first period.

"It was huge," Scotty Bowman, the Detroit coach, said. "That first goal is so big against this kind of team."

Detroit, bidding to become the first team since the Bowman-coached Pittsburgh Penguins in 1992 to repeat as league champion, kept up the pressure. The Red Wings outshot Dallas, 14-7, in the first period and had several more quality chances, but Belfour turned them back.

Sergei Fedorov then scored his first goal in eight games — since the Wings' second-round series with St. Louis — on a shot from the top of the slot at 1:48 of the second period.

Six appears to be a magic number for Detroit. The Red Wings also needed six games to advance past Phoenix and St. Louis in the first two rounds.

A year ago, the Red Wings got blown out in Game 5 of the conference finals at Colorado, rebounded to finish the series in Game 6, then swept the Philadelphia Flyers in the Stanley Cup finals.

# Cox Bags 1,000th Victory

Braves Triumph as Interleague Play Begins

The Associated Press

Bobby Cox didn't have to sweat out his 1,000th victory as manager of the Atlanta Braves.

Javy Lopez homered in a four-run first inning against Mike Mussina and the Braves breezed past Baltimore, 10-5, on Saturday, their first victory against the Orioles in five interleague games over two years.

Cox became the 19th manager in major-league history to win 1,000 games with the same team. He also moved within five victories of becoming the

## BASEBALL ROUNDUP

winningest manager in the franchise's history — Frank Selee won 1,004 with the Boston Braves from 1890-1901.

Lopez went 4-for-5 with four RBIs and Kevin Millwood (8-2) allowed four runs and five hits in 6 1/2 innings for the visiting Braves.

Mussina (4-3), activated from the disabled list before the game, struck out 10 but gave up eight runs and eight hits in 4 1/2 innings. It was Mussina's first appearance since May 14, when he had his nose broken by a line drive off the bat of Sandy Alomar of Cleveland.

Mets 1, Red Sox 0 In Boston, Tim Wakefield allowed one hit in eight innings, but a disputed balk call cost him the game. Bobby Jones (5-3) and John Franco combined on a four-hitter for the Mets, who after hitting four homers in a 9-2 win on Friday, got just two hits but handed the Red Sox their second shutout in four days.

Cubs 7, White Sox 6 In Chicago, pinch-hitter Derrick White hit his first homer in five years and Sammy Sosa hit his ninth in eight games for the Cubs.

The Cubs went in front 6-5 on White's two-run homer in the sixth inning, a 410-foot shot that was his first homer since 1993, when he played for Montreal.

Sosa hit his 18th homer, a solo shot, into the center-field bleachers in the seventh to make it 7-5.

Yankees 4, Marlins 2 Ramiro Mendoza limited Florida to three hits in 7 1/2 innings and Bernie Williams hit a three-run homer, leading host New York to its sixth straight victory. The Marlins have lost 10 straight.

Fall O'Neill extended his hitting streak to 14 games for the Yankees, who improved to 24-5 at home. Jesus Sanchez (3-2) took the loss.

Pirates 10, Blue Jays 6 In Toronto, Doug Glavine hit two home runs and Rico Brogna homered to snap a seventh-inning tie.

Dodgers 10, Mariners 6 Rookie Paul Konerko's first major league homer snapped a sixth-inning tie as Los Angeles beat the Mariners in Seattle.

Ken Griffey Jr. hit his AL-leading 23d homer for the Mariners.

Konerko, who had four RBIs, gave the Dodgers their first win in four games in Seattle since interleague play began last season when he led off the sixth with a 431-foot shot off Bobby Wells (0-1) to break a 6-6 tie.

Athletics 10, Diamondbacks 5 Kevin Mitchell went 3-for-4 with two RBIs and host Oakland scored five runs in the fifth inning off Arizona's Andy Benes to win its third straight game.

Indians 10, Reds 1 Cleveland evened its intrastate series in front of a rare Cincinnati sellout crowd as Jaret Wright held the Reds to two hits over eight innings and Sandy Alomar drove in three runs.

Expos 7, Devil Rays 5 Montreal scored three runs in the eighth inning for a comeback victory over host Tampa Bay. Brad Fullmer and Rondell White had RBI singles, and Mark Grudzielanek hit an run-scoring groundout in the eighth as the Expos won their fourth straight.

Astros 6, Royals 0 In Houston, Jose Lima pitched a five-hitter for his first career shutout and Craig Biggio hit a two-run homer. Lima (7-2) walked one, struck out seven and got his first career complete game in his 134th start.

Tigers 9, Brewers 3 Bryce Florie pitched seven strong innings against his former team as Detroit beat the Brewers in Milwaukee to snap a six-game losing streak. Florie (4-1), making his first start against the team that traded him at the end of last year, allowed eight hits and two runs.

Rangers 3, Padres 0 John Burkett pitched eight shutout innings and Luis Alcala had a two-run double as Texas beat visiting San Diego.

Pirates 6, Twins 3 In Pittsburgh, Jason Kendall hit a bases-loaded single in the 12th inning as the Pirates rallied to win their seventh straight game.

Angels 2, Rockies 1 In Anaheim, Garret Anderson's RBI single in the eighth inning broke a tie to give the Angels the victory.

Anaheim's starter, Omar Olivares (3-2), allowed one run and seven hits in eight innings. Troy Percival worked the ninth for his 17th save.

Giants 5, Cardinals 4 In St. Louis, Bill Mueller ended another marathon between the Giants and the Cardinals with a 14th-inning RBI single that extended San Francisco's winning streak to eight games.

Mark McGwire, who hit his major league-leading 28th home run on Friday, went 0-for-3 with three intentional walks. Brent Mayne walked off Sean Lowe (0-2) to start the 14th and advanced on a sacrifice.



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**WORLD ROUNDUP**

**Schumacher Wins Canada Grand Prix**

**MOTOR RACING** Michael Schumacher achieved a hard-fought victory in a crash-marred Canadian Grand Prix on Sunday and moved back into world championship contention.

The Ferrari driver saw the pace-setting McLarens of Mika Hakkinen and David Coulthard both retire with mechanical problems early on, and then overcame a strong challenge from Giancarlo Fisichella of Italy in a Benetton to record the 29th victory of his career and his second of the season.

Schumacher moved to the front when Coulthard retired on lap 18 with a throttle problem, but then lost the lead a lap later when he refueled.

Eddie Irvine of Britain finished third in a Ferrari, while Alexander Wurz of Austria was fourth in a Benetton. (Reuters)

**Zaineta Edges Abbatiale To Win Prix de Diane**

**HORSE RACING** Zaineta gave her owner, the Aga Khan, his second successive Prix de Diane on Sunday as she edged out Abbatiale in the final meters in Chantilly, France.

Zaineta, ridden by Gerald Mosse, seemed to be flagging when Abbatiale, ridden by Frederic Sanchez, went a length up with 300 meters (990 feet) to go. But Mosse inspired another burst out of Zaineta to pull off a photo-finish victory.

Zaineta, trained by Alain de Royer Dupre, is now unbeaten in five races. Abbatiale, who won the Prix Penelope in her last outing, finished well ahead of the third-place horse, Insight.

In Elmont, New York, on Saturday, Real Quiet fell short in his bid for U.S. horse racing's Triple Crown, losing to Victory Gallop. (Page 24) (AFP)

**Wallabies Don't Gloat**

**RUGBY UNION** Australian Rugby Union officials refused to gloat over the Wallabies' record 76-0 victory against England on Saturday, describing the match as a "crying shame."

The union's managing director, John O'Neill, called on England's administrators to do everything in their power to ensure that England sent its best team in the future.

Many of England's leading players withdrew from the squad of 37 for its Southern Hemisphere tour. "It's a very sweet and sour taste," O'Neill said. "You win a test match, 76-0, against England and you don't celebrate."

"If ever there was a message to the English RFU, this is the message: This is not what international rugby is about. It's not a contest." (Reuters)

**Spaniards Grab All the Honors**

**Moya Sweeps Aside Corretja While Sanchez Vicario Outlasts Seles**

By Christopher Clarey  
International Herald Tribune

**PARIS**—It was a rough weekend for cynicism and above all stoicism at the French Open, where the post-match handshake was temporarily replaced by the post-match embrace, and the players doing the majority of the squeezing were the Spaniards.

On Saturday, women's champion Arantxa Sanchez Vicario reached across the net after surprising Monica Seles 7-6 (7-5), 0-6, 6-2, and clasped the more powerful, more popular American in her arms. On Sunday, Alex Corretja, the 14th seed, shrugged off his disappointment and jumped over the net to track down his countryman Carlos Moya, the 12th seed, who had been swept off his feet by the joy of winning his first Grand Slam singles title and was lying flat on his back on the clay.

"The greatest feeling I ever had," Moya said after his 6-3, 7-5, 6-3 victory.

As soon as he regained his balance, he and Corretja were hugging each other like they were doubles partners instead of opponents who had just traded topspin groundstrokes and underspin dropshots for over two hours with roughly 100 million pesetas at stake.

"Just because he beat me doesn't mean he stops being my good friend," Corretja said. "Honestly, when I finished the match and I saw him that happy I was happy myself." The Spaniards might not play the most telegenic tennis, but they know how to play fair, and for the second time in five years at Roland Garros, they played well enough to sweep both singles titles at the tournament that remains the main objective for those who grow up south of the Pyrenees.

In 1994, Sanchez Vicario and Sergi Bruguera were the first double champions in a Grand Slam from Spain. This

year, the winners were Sanchez Vicario and Moya, who warmed up together before Sanchez Vicario's semifinal match Thursday and who, like many of the 28 Spanish men and women in the main draws here this year, are friendly off the court.

But Moya, who already had played and lost a Grand Slam final at the Australian Open in 1997, was determined not to let friendship affect his second chance.

"I think I'm mentally much stronger now, very focused," Moya said. "People used to say about me that sometimes I'm up and down, up and

**THE FRENCH OPEN**

down. This is not good for me. Players like Felix Mantilla or Corretja, they were mentally stronger than me. But I think I improved a lot. Now, I'm like them."

Moya broke Corretja in the opening game and rarely projected vulnerability after that, dictating play and attacking Corretja's second serves with his forehand. If Corretja had not managed to save 13 of 19 break points, the score could have been even more one-sided. It was a question of freshness — Corretja spent four more hours on court here than Moya — and of the wind, which hurts Corretja's timing more because of his high service toss and more elaborate backswings. It was a question of experience: though Corretja is 24 and Moya 21, Corretja had never advanced past the quarterfinals in a Slam before.

It was also a question of aggression. While Corretja spent much of the match in traditional clay-court position well behind the baseline, Moya was hard against it, which gave Corretja less time to react to his huge forehands and clever drop shots. In short, the more complete, more consistently dangerous player

won, and it is slightly ironic that when Corretja first practiced with Moya in Barcelona several years ago, the younger and shyer Moya refused to go to the net because he didn't feel comfortable volleying.

"In the final when you play a friend, it's not easy to play a brilliant match, but I had a lot of confidence," said Moya, who won the clay-court event in Monte Carlo in April, defeated tournament favorite Marcelo Rios of Chile here in the quarterfinals and was never pushed beyond four sets. The only time Corretja upstaged him was at the awards ceremony, when he put on a juggling exhibition with a soccer ball to the delight of Pele, one of the guests of honor who also exchanged headers with Moya.

Sanchez Vicario's victory here was much more nerve-wracking. In the fourth round, she had to rally from a 6-4, 5-2 deficit to defeat American teenager Serena Williams. In the final, Seles was the favorite and not only because of her more powerful ground game and convincing upset of Martina Hingis in the semifinals. Once a difficult player for tennis crowds to warm to because her dominating, aggressive style didn't project grace or need, Seles's stranger-than-fiction travails have put the public firmly, though not overwhelmingly, on her side. Her decision to play here two weeks after the death of her father only deepened the crowd's support.

But Sanchez Vicario, who is small and underpowered compared to most of her peers, has made a career of being combative, and she won her third French Open singles title by remaining true to herself: covering the court brilliantly and lifting her game when necessary. If Seles had played as well as she did against Hingis on Thursday, it all would have been for naught, but the American, who won here in 1990, 1991 and 1992, was much less consistent



French Open champion Carlos Moya, right, embracing Alex Corretja.

Saturday, making 48 unforced errors to her opponent's 29 and faltering under pressure.

With a 5-3, 30-30 lead in the first set, she dumped a short overhead in the net and then, after saving one break point, lost her serve with two unforced forehand errors.

Seles went on to lose the tiebreaker, and though she allowed Sanchez Vicario only six points in the second set, she lost her momentum in the opening game of the third when the Spaniard saved two break points on her serve and then held with a forehand cross-court

winner that a fresher Seles might not have given up on. In the end, the finer, more reliable player won.

Sanchez Vicario said at the awards ceremony, "I'm so sorry to beat you and for all that's happened and especially because your father passed away."

"Neither of us deserved to lose, and I do congratulate you because you are a great champion."

Seles returned the favor: "I had so many chances, but I really have to give credit to Arantxa, too, because she played really well whenever she was down."

**Porsche Takes Le Mans**

The Associated Press

**LE MANS, France** — Porsche won its third successive Le Mans 24-hour race in dramatic fashion Sunday, when the leading car, a Toyota GT One, withdrew with gearbox problems less than 90 minutes before the end of the contest.

The Porsche GT1, driven by Alan McNish of Britain and Laurent Aiello and Stephane Ortelli of France, won the 66th Le Mans race, covering the 13.6-kilometer (8.5-mile) circuit 351 times.

It covered 4,783 kilometers, less than the 4,909 kilometers recorded by the winner last year, a TWR Porsche driven by Michele Alboreto.

McNish's team posted an average speed of 199.324 kilometers per hour.

"We were pushing our car to the limit and hoped that the Toyota would make a mistake," McNish said. "We needed to see if they could take the pressure. They couldn't."

Another Porsche GT1, driven by Jorg Muller and Uwe Alzen of Germany and Bob Wollek of France, was second with 350 laps.

In third place was the Nissan R390 driven by Kazuyoshi Hoshino, Aguri Suzuki and Masahiko Kageyama of Japan, with 347 laps.

But 90 minutes before the checkered flag was raised, the final outcome was looking very different.

Toyota mechanics, who had begun to sense the manufacturer's first Le Mans victory, were in tears as their Toyota GT1 limped into the pits while 44 seconds ahead.

The car, being piloted by the lead driver, Thierry Boutsen, officially withdrew just 70 minutes from the end, with transmission failure.

Only one Japanese manufacturer, Mazda in 1991, has ever won the Le Mans race.

**Pantani Powers Home to Win Giro**

The Associated Press

**MILAN** — Marco Pantani clinched his first Tour of Italy on Sunday after race judges ruled that the final stage would not count toward the overall standings.

The Italian had virtually wrapped up the 1998 Giro a day earlier after increasing his lead over Russia's Pavel Tonkov to 1 minute, 33 seconds, and Sunday's stage was expected to be a celebratory ride.

Rainy conditions prompted the jury to annul the day's results about five hours into the stage to prevent racers from riding too fast and risk falling on the slippery roads.

"I demonstrated that I am still strong despite everything that has happened to me," Pantani said. "I am extremely satisfied. This victory allows me to see this sport as a huge source of enjoyment."

Pantani, 28, has had a series of cycling accidents, the last occurring during last year's Giro when he pulled out after falling.

In 1996, Pantani broke his leg and was sidelined for the entire season.

Before Sunday, Pantani's best result in the Giro was a second place in 1994. He missed the 1995 and 1996 editions due to injuries.

Competitors were asked to complete Sunday's stage, however, mostly to

Ulrich fights the flab. Page 24.

please the huge crowds that turned out to cheer Pantani, race officials said.

No times were recorded, but Italian Gian Matteo Fagnini was first across the finish line.

A climbing specialist, Pantani took over the leader's pink jersey for the first time in his career six days ago during a roller-coaster ride through the Italian Alps.

Then he surprised even his biggest supporters Saturday when he beat Tonkov, the 1996 Giro winner, in an individual time trial, the Russian's specialty.

"I think I won because I attacked the most and refused to finish second even if sometimes the conditions did not favor me," Pantani said.

In celebrations Saturday evening, Pantani's entire Mercatone Uno team — riders, trainers and masseuse — shaved their heads to imitate Pantani.

Alex Zülle of Switzerland, who was considered the race favorite after dominating the initial stages, dropped out of contention Thursday during the Giro's toughest stage — 239 kilometers (148 miles) up steep mountain roads in scorching heat.

"Pantani is an amazing competitor," said Zülle. "I didn't expect him to be so strong."

Due to the rain, the jury shortened Sunday's planned 173-kilometer stage from Lugano, Switzerland to Milan, by 16 kilometers.

Of the 168 riders who started the Giro, 96 completed its 22 stages, covering a total of 3,852 kilometers.

Pantani finished the tour in 95 hours, 50 minutes, 39 seconds.



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